



REPORT ON THE SUSTAINABILITY OF
THE COOPERATIVES DEVELOPED IN
THE RAF PILOT PROGRAM

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1. Executive summary

The “Lunca Somesului Mic” and “Legume de Vidra” vegetable growers cooperatives had a quite steep development – from the first year after establishment, thanks to the promoters’ negotiation work, they signed contracts with big retailers which had regional warehouses in their areas and started deliveries. While “Legume de Vidra” is still exclusively dependent on the Mega Image contract, “Lunca Somesului Mic” managed to diversify its sales outlets and is currently selling to three retailers in Cluj. The two cooperatives’ positive evolutions (between 2013 and 2014 “Lunca Somesului Mic” doubled its revenues in only one year, for example) can be ascribed to a mix of factors that catalyzed their development: good social capital premises to start off, that gradually improved into trust and harmonious organizational culture, good leadership (even though the managers changed in time, the overall performance improved, especially in terms of economic management), the internalization of principles and ethics (regarding cooperation among members, the quality of deliveries, concentration of chemicals, meeting contract requirements etc, rules for aspiring members). The two cooperatives’ sales and revenues are on an upward trend (they increase year after year by a minimum of 20%) and now have clear objectives for their immediate and medium term development (acquiring transportation vehicles, attracting financing for storage facilities, diversifying their products, accepting new members etc).

Both these cooperatives, which underwent the entire process piloted in the RAF program (three years of facilitation and technical assistance) have acknowledged the promoters’ importance in the creation and development of the cooperative, stating that their success would have been impossible without this initial support.

On the other hand, the associations in Prisacani and Tg. Frumos, two vegetable growers’ associations previously established, didn’t perform as well: after two years of assistance on the implementation of the business plan with some degree of success, CMSC’s contact with the association stopped, as a plan for the establishment of a cooperative made up of the most developed members of the association emerged. The cooperative hasn’t been established to this day, mostly because of the temporary disengagement in the project of the formal leader. In Tg. Frumos a cooperative was also established in 2016 with the help of CMSC, composed of some of the more active members of the association, which subsequently ceased contact with the promoter on the implementation of the business plan and is currently waiting for European funds opportunities. In both associations the organizational culture was disproportionately centred on the leader, and his (conservative and overly pragmatic) views determined the outcome of the project in these communities.

The main conclusions deriving from the experience of the facilitators with the Prisacani and Targul Frumos associations are that it is more difficult to economically push forward an organization that was already functioning on certain cultural and socio-economic parameters than it is to create a cooperative from scratch and capacitate it and 2. fitting contracts with large retailers were key to giving a boost to the other cooperatives, and their absence in this case, corroborated with the inertia and the „inherited” characteristics of the group, emphasized the difficulties of further developing the associations.

A third (middle) kind of situation can be found in the case of the “Miere de campie” beekeepers’ cooperative near Cluj, which entered the pilot program later than the previously described co-ops, in 2014, with Civitas’ help. While the cooperative’s economic performance is good, considering the short time since its establishment (important contracts under negotiation, currently building an office, investment in machinery), the social capital in the community and among the members (dissatisfied with the others’ involvement and overall work division) is not very strong. The future

development of “Miere de Campie” rests on whether group cohesion and procedures regarding members’ responsibilities improve.

To sum up, the evolution of these cooperatives proves that the RAF model, offering individualised support in the establishment and development (in its first 2-3 years) of small farmers cooperatives, tailored upon the profile and necessities of each community is suitable for the revitalization of this sector in Romania. The following report highlights some key aspects of their current state of play and highlights the factors which may positively influence the sustainability of the cooperatives, both positive and negative.

2. Methodology

The present research aims to analyse how the agricultural cooperatives established in the framework of the RAF project have developed after the technical assistance and facilitation period, in which they have been supported by the consortium NGOs (Civitas, FDSC, CMSC). The purpose of the study was to identify the factors that positively influence the sustainability of the cooperatives, but also the risk factors, in order to better understand the functioning mechanisms of such an organization. The results of this research can be used not only for an internal evaluation of the project, but also for defining a set of good practices in the creation of other agricultural cooperatives.

Specifically, this study collected information on the following dimensions of the cooperatives’ existence:

- Internal governance, organizational climate and relations between cooperative members, how the co-operative is structured, how leadership works and management is put in place, how they accept new members, the way decisions are made in the cooperative, relationship with the manager, conflicts between members, communication channels, etc.
- Cooperative difficulties, immediate needs and planned solutions;
- Future opportunities, investments / purchase plans;
- The way in which the cooperative influenced the well-being of the members’ families and the community;
- Members’ degree of contentment regarding the decision to take part in the cooperative and personal plans for the future;
- The perception of the community towards the cooperative.

Detailed interview guides are available in the Appendix.

Interviewed people: representatives of the promoter NGOs, cooperative leaders, cooperative members and other relevant people from the communities in which cooperatives work.

Data collection method: face-to-face interviews at the interviewee's home / office. The duration of an interview varied between 30 and 80 minutes.

Total number of interviews: 20

3. Results

3.1. „Lunca Someșului Mic” Cooperative

Year of registration: 2013	Members' contributions: 1000 RON/ year/member	No. of employees: 1 Employee's position: sales manager (40 h/week)
No. of members: 2013 – 17 2014 – 17 2015 – 15 2016 – 15	Revenue 2013 –209 379 RON 2014 –557 802 RON 2015 –635 751 RON 2016 –975 888 RON	Profits, reinvested profits 2013 – 2014 –RON 2015 –RON 2016 –RON
No. of affiliated members -	Equity: - One 7 tons truck	No. of contracts: 4 (Kaufland, Profi, Rewe-Penny)(indeterminate period)



(cabbage seedlings ready for planting – Apahida)

Respondents:

Ioan Repede - President

Radu Telecan – Vice President

Anca Marcu – Sales Manager

Cristina Trambuz Moldovan - Member

Mirela Ștefania Podocea - CIVITAS

Mr. Levente – Member of the Apahida community

The structure of the cooperative

The “Lunca Someșului Mic” agricultural cooperative was set up in 2013 by 16 farmers in the communes of Apahida and Jucu, with the support of the Civitas Foundation, for the purpose of capitalising on the local agricultural potential by bringing together small local producers and collaborating with relevant actors in the agricultural and food ecosystem in the area. The number of members does not fluctuate too much from one year to another. The initial departures were mainly due to the cost of the membership fee. Four of the initial members left, but in 2017 four others have joined. Each member pays a membership fee of RON 1,000 per year.

The cooperative is led by a structure consisting of a president and 4 vice presidents, and once a month all members convene in the General Assembly. Mr. Ioan Repede has been president of the cooperative for the past 2 years. All important decisions concerning the cooperative are taken in the General Assembly, which is made up of all cooperative members, each with equal voting rights.

At an informal level, the dialogue within the cooperative is held on 2 levels – the first is between the president and the vice presidents, and the ideas are then conveyed to the other members and the second is the General Assembly. The cooperative also has a Sanctioning Board, with clear rules and sanctions. Its role is to make sure the deadlines for deliveries are met and to participate in the meetings of the cooperative.

*"If you don't meet the delivery deadline, your deliveries will be put on hold for one week." If you miss more than three meetings, you lose your right to vote. There are many sanctions."
(vice president)*

*"Normally, meetings are convened once a month, in theory, but about 80-90% of the decisions taken during the General Assembly are respected. The Civitas communication specialists helped us a lot, teaching us that everyone is entitled to an opinion, but, of course, there are still small inconveniences."
(president)*

Difficulties. Concrete necessities

The cooperative is currently operating in good parameters, but also has the shortcomings of a young entity. Some of its struggles, which are worth mentioning are the increase in logistics-related expenses (purchasing a 12-ton truck for transport, high driver-related costs and high maintenance costs). The cost of purchasing the truck was divided between the members of the cooperative – EUR 1,000 each. The only person who paid in instalments was the former president, with whom there are still some tensions.

The influence of the cooperative on the members' personal budgets

But, at the same time, the members boosted their sales, adapting to the needs of the market and adapting their crops to the contracts concluded by the cooperatives (with Profi, Kaufland and Reve). An important achievement is eliminating the middlemen, which allows the members of the cooperative to sell their products for a better price. Most say their revenues increased with membership. Those who cannot make an estimate did not keep track of the money earned from

selling vegetables. The money earned in the open market was spent on the same day on household items.

"First of all, we are pleased that we have eliminated the middlemen, because when you went to the open market, you ended up giving them the products for next to nothing. But we are not all that pleased, because standard products are required now - we need cabbage between 800 grams and 1.5 kg." (member)

"In the future, it would be great if we could boost sales, but we must understand that we need to be dedicated and continue our work." (president)

"They (CIVITAS) were part of the cooperative for quite a long time, and they had time to build a strong foundation, so when they left there were no major imbalances." (president)

"There were problems regarding the driver. For us, there are two periods: January and April when I need to hire a driver and keep him here, but the costs are very high, so we have put together several improvisations. One of the members has a driver license, so he sometimes drove there, and I also went using my personal car." (president)



(machinery belonging to a member of the "Lunca Someșului Mic" Cooperative)

Internal governance. Conflicts in the cooperative and mitigation strategies

The members of the cooperative interviewed by us stated that they overcame their issues with the former president, but that there's need for leadership and management within the cooperative. The conflicts with the old president started from a series of misunderstandings concerning the packaging centre, but also concerning some procurements he had made during his term as president.

"We had an extraordinary relationship with Mr. Repede. He is a very good man, but he is fearful of speaking in public, but this will get solved. Also, Anca is an outspoken and extroverted woman and she gets involved tremendously." (CIVITAS representative)

"As regards the conflict with Sorin, it was about the packaging centre - all members were supposed to create a group and there was some information that they had to reimburse EUR

30,000 per application, and 15 people couldn't do it. Sorin saw this opportunity and was in charge of talking to the people. He wanted to participate with 2 other friends, but we disagreed and that's how conflicts started. In the beginning, he did some suspicious procurements and we told him he shouldn't do that. There was a lot of tension, because POSDRU were sending very many notifications. In the end, we told him it was better if he left the cooperative." (CIVITAS representative)

"Without a strong leader, the cooperative continues working due to inertia. They know there is a cooperative, but, in general, there are few who think about checking and seeing how things are going." (manager)

"A leader who gets more involved is needed, because it's not possible for all 16 of us to go and represent the cooperative." (member)

The cooperative's role is also of professionalising the farmers in terms of outlets, since this topic requires external expertise. The members underlined the importance of the help provided at the beginning of the cooperative, its success being impossible without initial support. Individualised help is, therefore, required, depending on each community's needs, starting with assistance in creating the coop, and including specialised support in production, marketing or communication, but also assistance in market access in the first years after establishment.

"Although these are often people with good professional training (such as engineers), they do not understand accounting related aspects or legal details. What should be noted is a sudden shift from their initial farmer status to a professional level, where certain standards are required. For instance, when it comes to cooperating with supermarket chains, significant amounts of products have to be delivered, therefore it is necessary to use high capacity transport means." (manager)

"A little help is required from the very beginning. We had help from the Romanian American Foundation. First they paid for three months and up to three years, at first 100% and then part of the manager's salary and the rent for the warehouse. It cost a lot and it mattered a lot. And they are reliable people, because a lot has been done." (vice president)

Internal governance was improved considerably during the development and professionalization of the cooperative, and a significant contribution was that of the current sales manager.

"During the summer meetings are held at the office, to hold discussion with each farmer. On every Monday an estimate of the products for the week in question is carried out. The manager contacts the farmers and the external collaborators by phone. It's a lengthy process, which can take up to half a day. On Tuesdays the supermarket delivery specifications ((Kaufland) are planned and indications and delivery standards are negotiated (product characteristics are tested usually through photos, measurements and samples). Good organisation is required for data centralisation and for a good collaboration, and it involves negotiating in-store sale prices, establishing prices paid to the producers, drafting waybills, invoices, loading the products, and programming orders to the stores." (manager)

Quality control was a difficult topic in the first stages of the coop, stirring dissatisfaction among its members, since it was hard for them to understand how the poor quality of certain products could impact the entire shipment of a mix of products. But slowly, the members understood the importance of reliability in this field and things took right turn after the first few shipments returned by the supermarket - once again, playing a civilising and professionalising role for the coop.

The current sales manager, Anca Marcu, had an important role in catalysing the development of the cooperative in the past year, thanks to her features (she's an active, motivated person, with initiative), and thanks to her character (she has gained respect through her reliability and she has gained the trust of the cooperative members). She brought new contracts for the cooperative and, at this time, she is certainly the brains of the business. She quickly became the president's right hand and the engine behind the initiatives of the coop.

The involvement of the sales manager is also due to the fact that she gets a percentage of the sales, aside from her salary, which motivates her a great deal.

"I won't keep educating them, just to lose them afterwards, after they get a separate contract. They like that I organise them and they prefer paying a percentage and not become involved in organisational things." (manager)

The president and the sales manager promote strategic ideas, they first discuss them in a small circle - with the vice presidents (Radu Telecan, Sorin Ciplea, Ioan Oltean) and with the younger members and then they present the "digested" plan during the meetings to all the members and that is how decisions are made. The sales manager carries out other representation and marketing activities. She participates in conferences, fairs and other industry events.

Plans for the future

The cooperative's plans include creating a vegetable warehouse (purchasing a plot of land and applying for European funds to build the warehouse), a small processing plant, and also starting packaging and processing activities, which would involve an increase in the members' financial contribution (the sales manager mentioned an increase from RON 1,500 to RON 2,000 per year). The cooperative members have already contacted a European fund consultant to explain their plans in order to access funding for these activities. Some of the members applied for EU funds themselves and managed to purchase the required machinery.

"A truck with a transport capacity of 7 tons has already been purchased, but in the light of the new contracts (with Mega Image and Profi), requiring larger deliveries, we need to get a smaller truck (3.5 tons), to optimise costs." (manager)

"Yes, we were spending a lot on transport (before purchasing the truck). For example, to Turda (which is 30 km away) we are paying approximately RON 800 for 6 tons, which is about RON 12 to RON 13 per kg." (president)

The cooperative's sales structure is based on contracts with large retailers, although, sometimes, as in the case of their contract with Kaufland, it is based on the retailer's weekly needs. The retailer makes a weekly price offer depending on its needs. Therefore, on a macro level, it is still unclear what is the total sales of the members through coops or individually on the market, but the estimate is somewhere around 70% through the coop.

With the exception of sale contracts, the cooperative purchases seeds jointly in order to get discounts. However, due to the scattered nature of the plots of land, the lack of labour force and the memories related to the CAPs in the communist era, joint production is not yet among the future plans of the members.

"The market in Cluj is still quite expensive and most retailers focus on low prices, quality being of a lesser importance in certain cases. Sometimes Kaufland offers very low prices compared to wholesale retailers; for instance, Kaufland offered us RON 0.7 per kg, while a wholesale retailer offered RON 1.7 per kg, so, that's more than double. If it weren't for these price fluctuations, we could make an analysis." (president)

"We have a framework programme where Kaufland makes a weekly offer. It's basically a weekly negotiation of the price, depending on quantities." (president)

"We sell about 70% through coops, and for cabbage the percentage is higher - it's 90%. The rest we sell in the open market. Now we realise that it's better if we have a long-term contract, even if the price in the open market is sometimes higher." (vice president)

Relationship with the community

How the cooperative is perceived in society has more to do with how people relate to it, but also with how they project the image of the communist CAPs on the new coops. On the one hand, there are people who got involved and realised its benefits, and on the other hand, many still remember the communist coops are very sceptical. However, all current members of the cooperative interviewed see themselves as members of the cooperative in the next 2 or 3 years. None of the members interviewed see themselves as leaving the cooperative within a few years. After being asked about the terms in which they would leave the coop, they said they would leave only if they couldn't sell their products any longer.

"Many say: <What's gotten into you to join a cooperative again? That's not a real job.>" (member)

Expansion prospects

As far as the expansion of the cooperative goes, in 2017 it received four new members from the neighbouring villages. The vision of the cooperative leaders is in favour of attracting new members to consolidate the procurement basis and the volume of products which the cooperative is able to deliver, which is necessary for its development in terms of retailer contracts. The manager explicitly stated that the policy of the cooperative is to maintain a long collaboration with each member, since it invests in training each of them.

None of the members interviewed see themselves as leaving the cooperative within a few years. After being asked about the terms in which they would leave the coop, they said they would leave only if they couldn't sell their products any longer.

Also, many family members part of the cooperative want to increase their interaction therewith. Many family members (Mr. Repede's wife, Mr. Telecan's wife, Mr. Paul's son, etc.) started taking entrepreneurship classes in order to try to develop their own businesses in the field of fruit and vegetable growing. For example, Mrs. Moldovan told us about how successful her zacuscă jars were at the Bonțida fair, where she participated with the cooperative.

"Now they attended trainings to become entrepreneurs, to start a business in fruit and vegetable growing - to grow raspberry. My wife took the trainings, as did Mr. Repede's wife, Moldovan and Anca and Nas, Paul's son. He's growing raspberry, it sells very well, in a 100-gram casserole and it's great business by the kilogram." (vice president)

"We went to a fair in Bonțida and I wrote down my phone number on the coop's brochures. Someone made a purchase and I got orders of dozens of jars. This autumn I made 400 jars and sold them. A lady opening a restaurant wanted to buy many jars. It's good, with coops the revenue is higher, and there are more possibilities." (member)

3.2. The “Legume de Vidra” Cooperative

Year of registration: 2013	Members' contributions: RON/ year/member	No. of employees: 1 Employee's position: executive director
No. of members:	Revenue	Profits, reinvested profits
2013 – 12	2013 – 16000 RON	2013 –
2014 – 17	2014 – 416000 RON	2014 – 10144 RON
2015 – 21	2015 – 780000 RON	2015 – 10607 RON
2016 – 17	2016 – 1136000 RON	2016 – 8514 RON
2017 – 16	2017 – NA	2017 – NA
	Equity:	
No. of affiliated members -	- 800 RON	No. of contracts: 1
	- Ford Transit truck 3,5 t	(indeterminate period)
	- Mercedes Benz truck 3,5 t	

Respondents:

Marian Popescu – President

Sorin Popa - Manager

Adrian Nedea – Member of the Board of Directors

Ana-Maria Drăgănescu - Member

Mariana Soare - Member

Costel Vâșgău – Member

General data

Vidra is a commune located approximately 11 km south of Bucharest, which includes the villages of Crețești, Sintești and Vidra. According to the National Statistics Institute, the population is of approximately 9,516 inhabitants. Most inhabitants are involved in vegetable farming, either on a large scale or for their own consumption. Proximity to Bucharest is an advantage for the farmers, because they can sell their products easier. Most of them go to open markets in Bucharest, if they can rent a stand, while some prefer selling in the open bulk market of Puchenii, which is quite common among them, although all of them consider this a compromise solution.

In 2013, after a year of meetings and negotiations, the “Legume de Vidra” Cooperative was legally established, with the help of the Civil Society Development Foundation (Fundatia pentru Dezvoltarea Societății Civile - FDSC) and with financial support from the Romanian American Foundation (RAF). The role of FDSC was very important in establishing the cooperative, as indicated by its members in the interviews conducted by CRPE, but also reflected by the statements featured on the official website¹:

"The FDSC consultants help us identify solutions for the most important problems we are faced with in the production process, in the marketing and selling of the products, in order to develop mutually beneficial and economically viable solutions to sell our products. We also get help in working as a group, building trust relationships between us and building projects for our community." (quote from the official website - <http://www.legumedevidra.ro/>)

"Persuading people, understanding the system of working together, communicating with each other - it was all a little difficult, but we did it with the help of FDSC; they provided us

¹ <http://www.legumedevidra.ro/>

with advices and consultancy, which was extraordinary of them. We also got help from RAF and we had many meeting, many discussions, as they tried to lead us down the right path. (...) We arrived at the conclusion that united we are a lot stronger, and slowly we succeeded in creating the coop." (president)

Structure of the cooperative. Internal governance

According to its articles of incorporation, the cooperative consists of a president and 4 members of the Board of Directors. All important decisions concerning the cooperative are taken in the General Assembly, which is made up of all cooperative members, each with equal voting rights. The Board of Directors consists of 5 people (4 members plus the president), elected by the members of the cooperative with a 2-year term. The members of the Board of Directors can hold a maximum of 2 consecutive mandates. Currently, the cooperative has 16 members, out of which one is not a vegetable farmer, but he holds an honorific position, being an advisor for the rest. (Mr. Lăcătuș).

The cooperative has concluded contracts for the provision of services with an accountant, an attorney and a censor. The only full-time employee is the manager.

The areas cultivated by the members range between 1,700 and 3,000 square meters of greenhouse. Most members used non-reimbursable money from RAF to revamp existing solar greenhouses. The money was allocated fairly, as no-interest loans, according to the members, depending on needs and with a vote in the General Assembly. The money will return to the cooperative within a maximum of four years, to make up a reserve fund.

"We received 19,000 USD, non-reimbursable, (from RAF) and 3,000 USD, reimbursable, (from FDSC), and we made a commitment that we would use it strictly to modernise the solar greenhouses. After modernisation we will be able to produce even later in the year, in December, on the same land. I think the revenue will increase maybe by 40% compared to now." (manager)



(A cooperative member is expanding his greenhouses. He and his wife do all the work, to save money)

The president of the cooperative, Mr. Marian Popescu, was recently elected for his second term, and the manager of the coop, Mr. Sorin Popa, is currently at his first term. None of them started in this position, as first the cooperative was headed by a different president and a different manager for a brief time frame. The model differs from Apahida, since the manager is a cooperative member. The advantages of this type of model is that the manager is directly interested in selling the products.

"When we started our project with Mega Image, I offered to do the management work for free for one year. There was nobody among us who wanted to get involved and keep in contact with them. I wanted to prove that we can do it by ourselves, even if we had help (from FDSC), I wanted, first of all, to sell my products." (manager)

The cooperative has a special structure, since there some of the cooperative members are relatives. This is an advantage, on the one hand, since they have a greater desire of helping each other out, and there's a high level of trust between them. On the other hand, there is also a suspicion that members prefer helping out their relatives, to the detriment of others.

Difficulties. Concrete necessities

Unlike the "Lunca Someșului Mic" Agricultural Cooperative, the "Legume de Vidra" Cooperative sells highly perishable products. For salad producers, for example, a one-day delay makes the difference between a high quality product and one that has been compromised. That is why, conflicts emerge when delivery is delayed for one of the members is delayed by one or two days.

Usually, the members of the cooperative solve these problems among themselves, but there were cases when Mega Image came to their support by accepting a larger stock of products. A cold storage warehouse is very necessary for the members of the "Legume de Vidra" Cooperative, because this allows them to preserve their products in proper conditions until the supermarket it ready to collect.

"There have been divergences between some members, which were also due to delivery problems, but if one of them brought products for two days, he couldn't do it for a third day. We went to Mega Image, Sorin and I, and we said: <There's a lot, what should we do? Help us out!> You see, this is the problem. Mega Image said: <Give us two days>, we could put it in cold storage and it would last for another 2 to 3 days. But if there are 40 degrees outside, the products go bad." (president)

"The Mega Image contract is getting better and better. In the past 2 weeks we had a very large amount of salad and we went and talked to them. We had to do something to sell it, not throw it away. We delivered up to 8,000 salads a day, as compared to the 3,500 salads that we were delivering before." (manager)



(salad in a greenhouse at the “Legume de Vidra” Cooperative)

Relationship with the retailer

Most products are sold to Mega Image, but some of the members also sell in the open market when the prices are good. At first, only seven members of the cooperative wanted to deliver products to the supermarket chain, but one year after the commencement of the contract, their number increased to 12. Currently, all producers in the cooperative are selling their products to Mega Image.

"There are 100 producers in Mega Image, but none in a cooperative. We are the only cooperative that is working and the only one where the members haven't started fighting each other. Someone was asking us: So, you haven't started fighting each other so far?! Why should we fight each other. It all starts from money. I delivered 100 salads, he also delivered, and he also did, we wrote it down and when the money comes in, it's, let's say RON 311,12. That's how much I delivered, that's how much I got. Why fight then?" (member)

"Mega Image were pleased with us, they even thanked us. They called us to attend meetings many times and they really appreciated us and they told others working with sole traders (PFA). You should do what they did at the Vidra Cooperative, look around and join forces! Whether there are 5 of you, or 10, it is easier for us to talk to a single person, for you to have a president. It's different when you have to talk to 10 people. And it's like they say: maybe we have thousands of orders in a day and it is more difficult to make them, but when you talk to a single person, this person centralised the orders and sends them to us." (president)

They are more restricted by their contract with Mega Image than others, because the supermarket has strict rules related to the types of seeds used and the way in which the vegetables are grown (the amount of pesticides). That is why, the practice of selling products in the open market or to other suppliers is less popular at the “Legume de Vidra” Cooperative, because if they run out of products and Mega Image request a delivery under their contract, they cannot fill out the order with products from other producers. One deviation from the supermarket's rules concerning the quality of the products and the concentration of chemicals in the vegetables results in a significant fine (RON 10,000) and the exclusion from the contract of the producer under whose code the deviant product was sold.



(the first tomato seedlings. In June the tomatoes will be available in Mega Image, under the brand Gusturi Românești)

Plans for the future

The most important plan for the future of this cooperative is purchasing a plot of land to build a warehouse. The land has already been selected, they have the money to purchase it, and the warehouse would be built using European funds.

No support was requested from the local authorities, firstly, because they do not want political interference, and, secondly, because the members already assumed they would not be granted any help. In the commune there is a warehouse built by the town hall and, according to the members, it was concessioned for a long period of time to a foreign company.

The cooperative is fitted with 2 transport vehicles and one Dacia Logan, purchased in leasing, which all the members of the cooperative use, depending on their needs. The members intend to purchase a third transport vehicle, once the number of members increases, and they are also considering hiring a driver, in case no one is available to transport the products.

Labelling and transport are different from those at the Apahida coop. Each producer has its own code and labels its products at home and also transports them to Mega Image and interacts with Mega Image representatives for quality control. This practice may be disadvantageous for the members of the coop, firstly, because they lose a full day for transport, and also because some of them don't know how to defend their interests before Mega Image employees.

"You see, with every company, the position differs. They request a warehouse. Maybe today they ask for 100 or 200 cases of salad, and tomorrow they want another 500 and they ask whether we have it and we say yes, but the day after tomorrow they don't want to buy anymore and they tell us: wait until we sell what we have. What about the day after that? you ask. And they say no. They have stocks in the warehouse and they must sell them and we should keep what we have in storage. We would keep it for a day or two if we had storage. You see, it all relates to this warehouse, which is so necessary." (cooperative president)

Expansion prospects

The number of members doesn't fluctuate a lot from year to year, and some of the initial members left or were excluded from the cooperative (the official reason was for failing to pay the membership fee, but in reality it was because of their lack of involvement). Some of those who left regret their decision.

"He relied on his belief that it's better in Pucheni. Now he is sorry and he admits it bluntly: <Man, I was a fool>. I told him he could come back at anytime, but on different terms, although he was a founding member before he left. He didn't want to stay, he left, nevertheless. We had to exclude them and accept others, who are more reliable people."
(president)

According to the articles of incorporation, the cooperative is able to accept 5 new members each year. According to the existing members, there aren't many vegetable farmers wanting to join the coop. The reasons are, according to them, partly the conditions imposed by the cooperative (one year of probation, an annual membership fee of RON 200, 8% of the sales and an initial entry fee of RON 1,000), and partly the mentality of the producers. They are used to getting their money on the spot, as is the case of the stands in the open markets in Bucharest or the bulk market of Pucheni.

Also, Mega Image has very strict standards for the seeds and the quality of the products, and some of the producers do not want to observe them, because it means they will harvest less and less often.

"Many raised this problem: <Why am I making the sale now and getting paid in a week?> The problem is who is handling my money. They are used to delivering the products, getting paid and putting the money in their pockets. Here, everything is subject to taxation, we pay taxes. It's all subject to taxation. It's all about beliefs. It's hard to persuade some to join the coop. They still have those outdated beliefs. They think about it and they worry about who would be handling the money, and when they would be getting paid. You can get paid in 2 weeks or in a month, tops, but you know you are getting paid. They worry about these things. Some left, others continued." (president)

"In rough times, when they have a hard time both producing and selling the products, then they come to us, but when you tell them about the terms, they find it suspicious. We even have a rule - any producer joining the cooperative must bring RON 1,000i per year. Currently we have 2 vehicles, and if we bring in 1 or 2 new producers, we need another car. There are levies and we cannot cover them, and it's in his benefit, but they still find it suspicious."
(manager)

"They come to us and ask questions, because they aren't used to paying taxes from their revenues. Producers aren't used to making other payment from their earnings, but they don't analyse to see that the fees they would pay would allow them access to transport, fuel, car insurance. I don't think it's a lot, as a producer, I think it's a little." (manager)

Influence of the cooperative on members' budgets

None of the members interviewed see themselves as leaving the cooperative within a few years. After being asked about the terms in which they would leave the coop, they said they would leave only if they couldn't sell their products any longer. Also, almost all of them are thinking about

expanding the cultivated areas, but are restricted not necessarily due to the lack of money, but also by the lack of labour force. In this community there are few workers to hire on a daily basis, since most people have a job in Bucharest.

"I think it's going to work. We have been operating for 4 years, we've grown, in 2016 our turnover doubled and this year I think we'll exceed that. We could conclude contracts with other supermarkets, but we don't have the required areas. Maybe 5 of us could join in and buy another hectare, we spoke about this in the past. It's not bad to have extra land."
(member)

"When would I leave the coop? If we lost contract. If we couldn't deliver the products. It's impossible, it's Mega Image, once we're on track... So far, we're pleased, they're making the payments. Mega Image has been a reliable partner and hopefully they will continue to be. I see they're continuing their expansion, our collaboration is quite good, and some things are slowly improving along the way, we're patient with the new members. All in all, it's ok."
(member)

"There are 3,000 families in the commune and 800 producer certificates are issued by the town hall. These are trade certificates. 15 years ago they used to issue 2,500 and I bet every year they'll be issuing 750, 700, and eventually it will only be 300 to 400." (member)

"I'm not even considering something else. 5 years from now I'd like us to be twice as many as we are now. I'd actually like us to be 10 times as many, but twice as many will do." (member)

"At the Pucheni Fair you had to always be there, you had to arrive at a certain time, at night, to catch a spot and remain there for 2 to 3 days, depending on how much you had to sell. And the buyers, of all nationalities, would try to trick you, to steal from you. When we had middlemen, they would steal half of the products, and nobody would do anything about it, even in front of the police, they would steal it and run away and there was nothing you could do because it was a very large group. Now it's ok working with Mega Image, we get orders, we have contracts, we're minding our own business, doing what we do." (member)

Most say their revenues increased after membership. Those who cannot make an estimate did not have any bookkeeping of the money earned from selling vegetables. The money earned at the market was spent on the same day on necessities in the household.

"I don't really keep track. This is what we would do: we would take our products to the market and that would be it. With the money we got, we would go to the store and buy detergent and other things, and we would return home with RON 300, and that was our money. (...) The money wasn't enough. So, what we made from summer to autumn, would barely help us get through spring, and sometimes we had to borrow money. It's been like this for years in our case. It was barely enough to cover the cost of the seeds (from our earnings), but we would buy it all during summer, we would put some money aside for the gas bills because there's no messing with these people and sometimes I would call my brother and asked him for some money that I needed to be able send the kids to school. Now, the money is wired to our account. We're still not going to China, but at least we can take a 7-day vacation at the seaside, we take a trip to the mountainside. So, we're not splurging. We're still the same, but now we have money left for the spring season. In addition, we've done away with all that stress and the sleepless nights in the bulk market of Pucheni." (member)

"I say I'm doing better than others who aren't members of the cooperative, I don't know how they see me, but I see myself clearly. I told Sorin and the others I spoke to. I don't know what I would have done without the cooperative and without Mega Image. Your perception changes, you're no longer desperate for money, thinking <I have no money>. The money isn't coming. The money is there, it's just that you don't have it in your hand, it's in the bank, or it's on the invoice. It's fine, I'll get it, it's still mine. There are times when the open market collapses and we sell the salad with RON 0,90. They go there, pay for the fuel and return with the salad and feed it to the chickens or give it to their neighbours and relatives - that's what I used to do." (member)

2.3 The "Miere de Câmpie" Cooperative

Year of registration: 2014	Members' contributions: 500 RON/ year/member	No. of employees: 1 Employee's position: manager
No. of members:	Revenue	Profits, reinvested profits
2014 – 10	2014 – 0 RON	2013 –
2015 – 10	2015 – 4500 RON	2014 – - 120 RON
2016 – 10	2016 – TBD	2015 – 12733 RON
2017 - 10	2017 – NA	2016 – TBD
No. of affiliated members -		No. of contracts: 0 (indeterminate period). Negotiations with Profi, Kaufland, Mega Image. Honey is sold in traditional products fairs, corporate clients

Respondents:

- Sukosd Sandor - President
- Vigh Istvan – Member of the Board of Directors
- Janos Daniel - Member
- Cornel Brusture - Manager
- Claudiu Jacotă – CIVITAS representative



(honey producer – Sic)

General information

Sic (in Hungarian Szék) is a commune in the country of Cluj, made up of a single village. According to the National Statistics Institute, at the latest census of 2011, its population was of approximately 2,460 inhabitants, mostly Hungarians. Sic is an atypical community that preserves customs and traditional outfits. Only a small number of women and children survived in this village following the invasion of the Tatars of the 24th of August 1717. The inhabitants commemorate the invasion of the Tatars through a procession, which is an important event for all community members. The area has significant tourist potential due to the thicket area in the grassland of the commune, which is now a protected Natura 2000 site.

The "Miere de Câmpie" Cooperative was established in 2014 after the "Lunca Someșului Mic" Cooperative, with Civitas as a member and a manager employed from outside the cooperative. During the first meetings, 60 beekeepers showed interest in setting up an association, but only 8 actually participated in creating the cooperative. CIVITAS had a different approach, trying out a lesser involvement, in order to promote ownership among the members of the cooperative.

Cooperative structure. Internal governance

The "Miere de Câmpie" Cooperative has 10 members, CIVITAS included (which will withdraw from the cooperative in September 2017). It has one president and 5 members of the Board of Directors. Elections are held every 4 years. Like in the case of all other cooperatives, decisions are made in the General Assembly, where all members have equal voting rights. Out of the 10 members, 3 are priests and the rest work in constructions. Some of them are members of the Local Council. The annual membership fee is of RON 500, in addition to which the members also pay a percentage of their sales to the cooperative.

"The involvement was excessive at Lunca. Here the approach was lighter. More simple people feel more comfortable when someone is coordinating them, because they are insecure in what they are doing. They expect us to tell them what to do. People don't have the courage of trying something new, because they are scared of failure. (...) Even if we were the ones promoting ideas, they needed to take the final decisions, although we were the ones who came up with good ideas. They said we have to do something, but they weren't doing anything." (CIVITAS representative)

One disadvantage of this cooperative is that beekeeping is not the main means of making a living, but rather a way of boosting revenues, and that is why they are not compelled to become more involved in the development of the cooperative.

As a paradox, the cooperative is doing great in terms of procurements. The members, through own means or through European funds, have managed to get an office and a set of machinery required for the growth of the business. But the office must be arranged, and the members fail to come to an understanding on how to divide their work. They each think they are working the hardest and now nobody gets involved any longer.

"For now, whatever joint property there is in the cooperative is nobody's, but I hope it will get better. (...) So far, I was the only one working on organising the office. Other members need to learn to get involved." (president)

"The young people in the community are unreliable. If we put set up a plan to do something, 3 people out of 9 show up. I think we need to change the members and the rules (for example, have them kicked out if they miss 3 meetings), and let people who truly want to work." (president)

"It is very important for us to go together, as a cooperative, at the pastoral event. I can't afford to spend 3-4 weeks there by myself." (president)



(unused machinery at the "Miere de Câmpie" Cooperative)

Difficulties. Concrete necessities

One major problem is that its members don't have ownership of their business yet. Both the discussions CRPE had with the manager and with its members indicate that they expect the manager to coordinate the business and for them only to deliver the honey for sale. The fact that the manager fails to coordinate them stirred a wave of dissatisfaction among the members. At the same time, they are not very willing to collaborate with each other. This is another shortcoming of the cooperative. The members aren't friends, they don't have a close relationship and this is apparent when they are asked to work together. They aren't as open to initiatives as the "Lunca Someșului Mic" or the "Legume de Vidra" cooperatives.

Another important matter that could impact the sustainability of the cooperative is that many of them are sceptical to accept new members in the cooperative, even if they would pay a membership fee which would increase the revenues of the cooperative.

"The idea is that they're not a group. It's like toddlers with a ball - some want to play with the ball and the others aren't playing with it, but they don't want to pass it to the ones that do. The bad part is that they haven't understood that someone handed them a business, that is to say they aren't aware of the fact that they have evolved to the next level - they've gone from selling honey and bee products to neighbours, acquaintances, friends and family, to a business." (manager)

*"There is some machinery just laying around. You have the means, you have the equipment, you have an office, you have financing, but you just won't show up for team-building. Why do you think all this is happening?
It's because they don't make a living this way, and they keep waiting. And I said there should be 3 steps: a collaboration contract, affiliated members and full member. They say "it's our toy", we must have control over it and this is where the problem appears.
Why are they not accepting new members? Is it only because it's their toy?
They are afraid someone else might join who would bring more honey." (manager)*

Plans for the future

The manager is determined to persuade the members to accept new members, to increase sales (at this time only 1 to 2 tons are sold through the cooperative) and to diversify their activities. A new production line will be launched in this period, with medicinal and aromatic plants. Some permits are required to enter supermarkets, which depend on the completion of the works at the office.

"I asked each of them to give me a name - a contact person whom they trust who makes good honey, without adding glucose and honey to it, and with them we could start collaboration contracts." (manager)

"What I want to do is sell the honey, I want this cooperative to become sustainable, to have money to pay me - this is the first step. The next step is for the cooperative to be feasible, to ensure the quality and quantities that must be delivered under our contracts." (manager)



(beekeeper, member of the cooperative)

What is atypical about this cooperative as compared to other cooperatives set up with the support of RAF is that this one has the means to grow, and its members have proven that they can access funds or that they have the financial capability to develop the cooperative. For example, some of the members have accessed the National Apiculture Investment Program and have bought more hives. But the key to success is not only about having the financial means, which they do, but it relates to operating as a group and it relates to interpersonal relationships.

"If we get along, the cooperative will work." (president)

3.2. The Prisăcani Fruits and Vegetables Association and EcoLeg Vegetable Producers Association (Târgul Frumos)

Respondents:

Constantin Chirilă, former mayor of Prisăcani, member of the association and promoter of the project on cooperatives

Eugen Fedorov, Director, EcoLeg Vegetable Producers Association

Laura Albu, Mediation and Community Security Centre (CMSC)

„Prisăcani Fruits and Vegetables Association” was established in 2009 in Prisăcani village (Iasi county), with a preliminary structure of 200 small vegetable producers, initially with the purpose of receiving additional points for the members of the association when individually accessing European funds for agriculture. In the framework of the RAF pilot project, the association received technical assistance from CMSC in all the stages described by the intervention model, apart from the actual establishment and judicial registration: study visits, training sessions, creating a business plan, creating a brand, business plan implementation activities by testing various sales opportunities – from organizing local fairs to negotiating business contracts with the retailers.

Due to the fact that there are no regional retailers’ warehouses in Moldova (the main sales outlets that enabled the development of the other cooperatives in the program), the association sold vegetables to Auchan, which has a city shop in Iasi. CMSC assisted them in negotiating and implementing this contract. However, the retailer offered not that great contracting conditions – lowest price criteria, imposing a wide variety of products, non transparent procurement procedure, etc. The contract lasted for 1 year, but in 2015 the largest farmers in the association announced their intention to create a mixed cooperative (vegetables, cereals, livestock, etc) in which the association would be member. This decision marked the gradual retreat of the assistance provided by CMSC, the main conclusions of the interventions in this case being 1. It is rather difficult to economically push forward an organization that was already functioning on different parameters 2. The physical presence of the large retailers was key to giving a boost to the other cooperatives, and their absence in this case, corroborated with the inertia and the „inherited” characteristics of the group, emphasized the difficulties of further developing the association.

This structural limitation and the disadvantage of not having a regional retailer warehouse in the area were also confirmed by Mr Chirilă during the interview. The need to overcome these inconveniences is mentioned as a main reason to establish a cooperative:

„All of the members (of the association) have started their business on their own. Everyone is doing well. But, within the association, we discussed getting ahead, going with our products on the market. Initially, we wanted to understand if the members can act as an important player on the local market and we organized some local fairs. The products were qualitative, but the quantities didn’t suffice. Afterwards, we tried to launch a program to access the markets with our products. Bu we could not honor the contract in due time because each time when one of the farmers had a larger quantity he went to the local market and sold the products on their own. In our contract with the retailer, you needed to have a previously established quantity of products at a specific time. We were working with Auchan.

We thought about establishing a cooperative; buying some means of transportation, a truck. For example, METRO is asking us to bring large quantities of products all the way to Prahova County and the transport is really expensive. We also need to solve the problem of the warehouses. Most farmers own storage facilities, but only small ones. The lack of a deposit facilities prevents us from obtaining fair prices on the market. While as a cooperative and owning a bigger deposit, when the buyer comes we can impose our own price. This is what determined us to create a cooperative »

However, the cooperative's project has not been materialized yet. CRPE's interview brought about successive phone conversations between Mr. Chirila and the other potential cooperative members. He discovered that they had not completed the legal formalities of setting up the cooperative and kept denying responsibility - the current mayor claimed that the new cooperative law compelled members to participate in the cooperative's capital with their land, which is not true. The discussion was interrupted, at least at the date of this interview, which illustrates the lack of cohesion and common interests of the group, given that this project should have begun approximately one and a half years ago.

Also, in Iasi County, the Ecoleg Vegetable Growers Association from Tg. Frumos with which CEED has been into contact under the entrepreneurship training component for farmers, was supported in 2016 by CMSC to set up a cooperative. They set up a cooperative with the same name in order to access European funds in the current 2014-2020 programming period and then they received assistance from CEED in setting up a business plan. The interactions of the association (the new cooperative) with both organizations members of the consortium have ceased afterwards.

The group leader, Mr. Feodorov, declared during the interviews that he appreciated this help, but that Ecoleg's necessities at this point are much more pragmatic - he is waiting for the launching of the financing lines for the Local Action Group (in which the association is part) in order to buy a transport vehicle, which he thinks will represent „the starting point". He considers that the younger members of the association will be motivated to get involved only if the development plans will materialize. He does not consider useful or even appropriate any other type of support for group governance, procedures, access to sales opportunities, etc. - the other "soft" areas through which the member organizations of our consortium supported the development of cooperatives according to the pilot model.

Reviewing the evolution of the two groups from Prisacani and Tg. Frumos, as well as her experience with facilitating and assisting in the development of associative forms, Laura Albu concluded that the main problem of the two entities was the institutional culture of the group and the lack of a well established core of the association – with more members who are active and interested in developing the activities, aside from the leaders. This vision is corroborated by CRPE's research.

Both Prisacani and Tg. Frumos associations have been built from the very beginning on a patriarchal, leader-centered model. And as this leader has never been an economic engine for the group, but rather a community-cultural milestone - as in the case of the two entities - the project did not generate (at least not substantially enough) the economic benefits needed for attracting the rest of the group and thus the projects stagnated.

In the case of the Tg Frumos association, in the presence of Mr. Feodorov, the other members did not even express their point of view. In the case of the Prisacani association, the most conclusive indicator of the fact that the association and its evolution have been the product of Mr. Chirila's way of thinking and energy is the deadlock in the organization of the new cooperative generated by the temporary absence of the former mayor, during his professional transition to his position at Iasi County Council.

Following CRPE's visit and the discussions between Mr. Chirila and the other future members, who were denying responsibility and the "blame" of not having been involved in the procedures for setting up the cooperative, it became clear the lack of clear leadership beyond that of the former mayor, especially related to the first necessary steps in starting a possible new project.

4. Conclusion table

Organization	Positive	Negative	Status
Lunca Somesului Mic	<p>Proximity to Cluj-Napoca and existence of regional retailers' warehouse</p> <p>Good relationship between members</p> <p>Good leadership skills of the president</p> <p>Good leadership and sales skills of the manager</p> <p>Willingness to accept new members</p> <p>Increasing level of manager's involvement by offering a percentage of the sales, aside from salary</p>		Increasing business
Legume de Vidra	<p>Proximity to Bucharest</p> <p>Good relationship between members (some of them are relatives)</p> <p>Good relationship with retailer</p> <p>The manager is member of the coop (he is very motivated to sell coop products)</p>	<p>Unique contractor</p> <p>Poor knowledge of funding opportunities</p> <p>Inexistence of a cold storage warehouse (required by other retailers)</p>	Increasing business

Miere de Campie	<p>Coop is still assisted by Civitas (until September)</p> <p>Coop has an office and a lot of procurements</p>	<p>The relationship between members is poor</p> <p>Poor leadership skills of the president / Lack of leadership</p> <p>Lack of ownership of their business</p> <p>Lack of involvement of the members (beekeeping is not the main means of making a living)</p>	Developing
Prisacani and Tg. Frumos	Existing associative structure	<p>Inertial organizational culture (brownfield development)</p> <p>Lack of regional retailer warehouse (unlike the Cluj and Bucharest areas)</p> <p>Too centred on leader</p> <p>Potential conflict</p>	Frozen

Appendix

Agricultural cooperative interview guide

1. Agricultural cooperative: _____

2. Year of establishment: _____

3. Registered CAEN code: _____

4. Total number of members:

In 2012 _____

In 2013 _____

In 2014 _____

In 2015 _____

In 2016 _____

In 2017 _____

5. Name of current members:

1.	2.
3.	4.
5.	6.
7.	8.
9.	10.
11.	12.
13.	14.
15.	16.
17.	18.
19.	20.

6. Members 'contributions (monthly/annual contributions):

a. ____ RON per month/member

b. ____ RON per year/member

7. Total number of affiliated members: _____

8. What is the structure of the board at the moment?
(Name and position)

9. Total number of employees: _____

10. Positions of the employees:

11. How many hours do the employees work each week for the cooperative?

1. (Position + total number of hours)
- 2.
- 3.
- 4.

12. Name of the members who left the cooperative (if applicable):

13. Turnover:

2012: _____ (RON)
2013: _____ (RON)
2014: _____ (RON)
2015: _____ (RON)
2016: _____ (RON)

14. Profit:

2012: _____ (RON)
2013: _____ (RON)
2014: _____ (RON)
2015: _____ (RON)
2016: _____ (RON)

15. Reinvested profit:

2012: _____ (RON)
2013: _____ (RON)
2014: _____ (RON)
2015: _____ (RON)
2016: _____ (RON)

16. Equity/own capital of the cooperative:

17. Which sales channels is the cooperative currently using?

18. With how many retailers do you have ongoing contracts?

19. How many of these contracts with the retailers are permanent and how many are temporary?

Temporary: _____

Contract period:	Contract total value:
1.	
2.	
3.	
4.	
5.	

Permanent contracts: _____

Contract period:	Contract total value:
1.	
2.	
3.	
4.	
5.	

20. Which business models (or marketing related models) are currently being implemented by the cooperative? (e.g processing, short chains, innovation, etc)

Thank you!

Leadership

Internal governance/Relationships

1. What is the structure of the cooperative?
2. How do you choose the President?
3. How many new members do you intend to accept in the following year?
4. How is the decision making mechanism working within the cooperative? Who is taking the decisions?
5. How many sales managers have there been since the establishment of the cooperative? Are they part of the cooperative or are they external? Do they have a leadership role? What is the job description of a sales manager?

Business models, purchases, etc.

6. How did the cooperative develop so far? Have you managed to expand or increase production? (we already know about the evolution of members)
7. Are there procurement procedures established with the members? - Communication channels, rules?

Organizational climate:

8. What are the relationships between the members? Is there harmony / conflict? What are the current conflicts? Have there been conflicts lately? How have they been solved? Who's been involved? Have there been any consequences for the members / the co-op?
9. Are there any informal leaders?

Future plans:

10. Which are the difficulties currently faced by the cooperative? How do you plan to overcome them?
11. Could you do a SWOT analysis for the next 1 or 2 years? (Strong points, weak points, opportunities and risks)
12. How did the cooperative perform after technical assistance ended (CIVITAS/xx)? Was it easier or hard? How? Why do you believe this happened?
13. What are the immediate and long term needs of the cooperative?
14. What are the biggest problems / opportunities faced by the cooperative?
15. What are your necessities for the next two years? Future plans? (expand the cooperative, accept new members, diversify their activities, etc)
16. Do you have a development plan for the cooperative? If the answer is yes, how is it designed? What type of support would you require to fulfill it?
17. Have you already applied / will apply for the producer groups measure, part of the National Rural Development Program? Are you interested in the measure? If yes, why? If no, why?
18. What types of financial assistance are you targeting for the future?
19. Are you planning to make investments in the community? If yes, what type of investments? If no, why not?
20. Are there any plans for new cooperatives in the community?

Agricultural producers part of the cooperative

Organizational climate:

1. What are the relationships between the members? Is there harmony / conflict? What are the current conflicts? Have there been conflicts lately? How have they been

solved? Who's been involved? Have there been any consequences for the members / the co-op?

2. Are there any informal leaders?

Business, development plans for the cooperative:

3. Could you do a SWOT analysis for the next 1 or 2 years? (Strong points, weak points, opportunities and risks)
4. What are the biggest problems / opportunities faced by the cooperative?
5. How do you believe the cooperative will develop in the next two years? Better or worse? Why?

Influence of the cooperative in the household (of the member of the cooperative)

6. How did your revenues evolve before and after being part of the cooperative? (in terms of purchasing power; providing better education for the children, living standards)
7. Can you estimate a profit margin now in comparison to the one you had when you were selling individually? Is it better or worse?
8. Generally speaking, are you happy with the decision of joining the cooperative or no?
9. If you compare yourself with other members of the cooperative, where do you stand compared to them?

Social indicators

10. What do you think is the impact of establishing a cooperative in the community?
Do you have any examples of families that decided to move in the locality after establishing the cooperative? (Migration – is there any change in terms of people not leaving the locality for working abroad)?
11. Are there any other persons willing to join the cooperative or start another one? Is there a spillover effect in the community (other farmers/young persons/persons without a job, etc)?
12. From your perspective, has the cooperative influenced the young persons from the community in any way? Are there young people that would be willing to do something related to agriculture / the activity of the cooperative?

13. What is the perception of the community (other farmers, farmers who exited the cooperative, mayor) on the cooperative? – General perception, positive/negative attitudes, interaction with the cooperative.

Future plans

14. What needs do you have for the next 1 or 2 years? What future plans do you have?

15. Are there any plans for new cooperatives in the community? Which is your personal plan regarding the cooperative? Will you be a member in the next years? Will you go in other cooperatives if established?

16. Do you think that, on the long term, it is better as part of the cooperative or not? Why?