

The Consumer Co-operative Societies in the Common Market

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Foundation and Organisation

Already shortly after the signing of the E.E.C. Treaty, the Consumer Co-operatives in the E.E.C. made contact with one another and on 11th June, 1957 founded the "Community of Consumer Co-operatives". The members were ten National Unions of Consumer Co-operatives and Wholesale Societies in the E.E.C. countries. The purpose of this organisation was to represent consumer interests with the E.E.C. authorities. The secretariat was established first in Brussels and later in Paris.

When in the year 1962 the first Agriculture regulations came into force, which in their practical application, often led to very rapid changes in the import duties for the trade in agricultural products, the Wholesale Purchasing Societies set up their own representation alongside the above named organisation in Brussels, namely EURO-COOP, in order to obtain at first hand the earliest possible information about the agricultural market.

On practical grounds and also to present a united front to the outside world, the two above mentioned organisations were amalgamated into EURO-COOP. Their Secretariat is in Brussels.

Adoption of the Constitution

EURO-COOP adopted at its constituent assembly on 4th November, 1970 in Cologne a Constitution defining the following objectives:

1. Official representation of the Consumer Co-operatives with the institutions of the European Communities, in particular the Commission of the European Communities, as well as representation of consumer interests;
2. to contribute to the realisation of a European economic community in the sense of the Treaty of Rome, and
3. to further and to co-ordinate the common interests of the Consumer Co-operatives in the Common Market.

At the present time EURO-COOP has 13 member organisations in 5 countries, viz. 1 in Holland, 2 in Germany, 2 in France, 3 in Italy and 5 in Belgium.

The Development of Co-operation

While in 1962 the activity of the EURO-COOP Secretariat was exclusively concerned with the distribution of information for the Wholesale Purchasing Societies, already in 1963 the Secretariat proposed economic co-operation to the members of EURO-COOP and circulated proposals for co-operation in trade.

In 1964 a number of working groups were established the aim of which was the common purchase of fruit and vegetable preserves and fish products, as well as coffee and tea. Closely related to this there took place in the sessions of the working groups a valuable exchange of information on prices, markets and sources of supply.

Very soon a EURO-COOP emblem was created which will later be used by the member undertakings and printed on all their products. There followed common purchasing and also the creation of a common trade-mark for tinned sardines. In the following years the working groups entered those of the Co-operative Wholesale Committee which was a sub-committee of the I.C.A. in London.

From 1965 the EURO-COOP Secretariat has also been concerned with the co-operation of the Wholesale Societies in the field of production.

As the first common undertaking of EURO-COOP, there was opened in 1966 the EURO-COOP BISCUIT FACTORY N.V. in Utrecht, Holland. It was to mass produce a few articles. Accordingly its production is limited to five lines. At the beginning the productive capacity was 4,500 tons per annum. By 1971 it had risen to 7,500 tons per annum.

All the Wholesale Purchasing Societies in EURO-COOP are members of this undertaking. All the Wholesale Purchasing Societies are also purchasers of these products, even the geographically very distant Italian Wholesale Purchasing Societies. But there are also exports to the KF in Sweden. A great part of the production will also be sold to non-co-operative purchasers.

After a two year building period the EURO-COOP CHOCOLATE AND SUGAR CONFECTIONERY FACTORY G.M.B.H. in Dortmund was inaugurated. In this concern also all the Wholesale Purchasing Societies are members. This is the first big project of EURO-COOP with a total investment of more than 60 million German Marks (about £7,250,000). This, the most up-to-date European undertaking of its kind in the largest consumer field in the Common Market, went into full production at the beginning of 1972. It will in the first place replace three obsolete Co-operative chocolate factories and serve those Wholesale Purchasing Societies which do not possess their own chocolate and confectionary production, but also supply private customers.

The capacity of this factory is reckoned at about 20,000 tons per annum, the number of different commodities produced about 300 and the number of employees 600-700.

In the field of production of preserved vegetables enquiries are being undertaken as to the possibilities of co-operation, as also in the sector of pastry products. In both these fields of production the Wholesale Purchasing Societies possess several factories of their own on the national level.

Economic Co-operation

For the organisation of economic co-operation, the establishment of an economic committee was foreseen in the constitution of EURO-COOP. (This economic committee is identical with the former EURO-COOP before the amalgamation in the year 1970.) This serves only for the internal co-operation of the Wholesale Societies of the Consumer Societies in the E.E.C. and does not deal with external relations.

Within this economic committee are eight working groups for different fields of production, e.g. a group of experts for pastry products, wine and spirits, meat and meat preserves, coffee, etc.

These working groups have ensured a very close co-operation. Their purpose is first of all to arrange common purchasing in their countries, but also to further co-operation in buying in the E.E.C. countries as well as the exchange of co-operatively produced goods in the E.E.C. countries. The consumer societies united in EURO-COOP have a retail trade of more than 12 milliard DM and a wholesale trade of about 5.5 milliard DM, of which more than 1 milliard DM is in their own productions.

Relations with the E.E.C. Authorities

EURO-COOP is the accredited representative of the consumer co-operatives with the Commission of the European Communities, especially with the General Administration for Agriculture as are also the other national organisations of those engaged in agriculture which are on the E.E.C. level.

Besides this, EURO-COOP was also up till now represented in the Consumers Liaison Committee in the E.E.C., in which along with the Consumer Co-operative Societies, the Trade Unions, the Family Associations and the Consumers' Associations were represented. This Consumers' Liaison Committee was however dissolved on 14th February 1972. The Consumer Co-operative Societies must therefore increase their efforts to protect efficiently the interests of consumers in the E.E.C.

In detail, co-operation with the E.E.C. authorities takes place in the following ways.

EURO-COOP expresses an authoritative view on the E.E.C. Commission's most important proposals for Ordinances and Regulations relating to Consumers and Consumer Co-operative Societies. To work out its attitude to such proposals there exists in EURO-COOP a "Consumer Protection" working group.

EURO-COOP participates in various advisory committees which have been set up on the Commission level for those agricultural products, for which there exist marketing regulations, e.g. for milk and milk products, grain, rice, etc.

The EURO-COOP Secretariat conducts professional and consumer-political discussions on all levels of the E.E.C. technical offices and represents the interests of the Consumer Societies. With the Council's Secretariat and with the Economic and Social Committee the Secretariat of EURO-COOP maintains contact as also naturally with the other European organisations of Employers, Commerce, Agricultural Co-operatives, etc.

In the past year EURO-COOP organised, together with the E.E.C. Commission, an Information Conference at which was discussed the E.E.C.'s agricultural, industrial and regional policy and also the problems connected with the entry of England, Denmark, Norway and Ireland. Representatives of the Co-operative Consumer Societies of these countries were present.

EURO-COOP has established together with the Statistical Office of the European Communities in Luxembourg a common "COOP" working group. Within this working group the Statistical Office has carried out an investigation into the cost structures of the Co-operative Societies in retail and wholesale trade and in production.

In addition the Consumer Co-operative Societies take part in the half-yearly retail price fixing in the retail trade, that is to say price increases follow after a comparison, of prices in the Co-operative Consumer Societies' stores.

Towards a European Co-operative

The working group on Law, after two years of work, has prepared a draft of a constitution for a European Co-operative and has sent it to the Commission of the European Communities with the request that they should adopt it. The European Consumer Co-operative Societies need for their economic co-operation a modern Law on Co-operatives which will allow them to borrow the necessary capital. In fact the first joint session of the appropriate division of the E.E.C. Commission with the EURO-COOP working group will be concerned with this proposal.

A working group on Taxation within the EURO-COOP has in recent years occupied itself with the problem of Value Added Tax and will discuss the future proposals of the E.E.C. concerning the harmonising of taxation systems and regulations.

Finally, the working group on Co-operative Politics has produced a memorandum entitled "The Co-operatives and Europe" which was adopted at the last members' meeting of EURO-COOP on 15th November, 1971. In it is described the establishment of the Common Market and then attention is drawn to the gaps in the building of Europe. Finally proposals are put forward indicating the way the Consumer Co-operative Societies envisage a European Economic Community and suggestions as to the role the Co-operatives should play in the creation of this Europe.

Future Tasks

The next tasks of EURO-COOP will lie in defining what long term aim should be pursued in the Co-operation of Consumer Co-operative Societies in Europe and in securing a stronger representation of Consumer Co-operative Societies with the E.E.C. Commission.

EURO-COOP hopes in this work to have the support of the Consumer Co-operatives of the newly joining countries, especially Great Britain.

The growing competition in the E.E.C. which results from even more powerful competitors, makes it absolutely necessary that the Consumer Co-operative Societies in the E.E.C. unite all their forces, in order to maintain their future position in face of economic competition and thereby protect effectively the interests of the consumers.