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## Press Release

### **Cogeca Business forum highlights synergies for cooperatives and future organic market**

Following last year's Edition on climate risks, the Cogeca Presidency Business Forum, organised in Brussels today, focused on the dynamics of the organic market and on the way agri-food cooperatives deliver increased production capacity, now and in the future, to meet the ever growing demand.

Helga Willer from FIBL, one of the first speakers, set the scene clearly: *“Today, Europe is a market leader for organic production, seeing a 12% increase between 2015 and 2016. The number of organic producers has increased by 9,7% to almost 300.000 farmers across the Union. Organic marketing channels are also evolving fast and cooperatives are taking a leading role in facilitating the transition from conventional to organic farming and proposing innovative products in response to demand.”*

Transition is a critical time for farmers and sectors with a larger share of organic production recorded fewer business insolvencies between 2012 and 2016 while, in the agri-food sector as a whole, insolvencies increased. Although this positive trajectory is likely to endure, several challenges were highlighted by participants in the forum, mostly within the agri-food chain. As mainstream retailers are now generating the most organic sales in Europe, the risk of organic players becoming increasingly dependent could increase, potentially leading to significant downward pressure on prices paid to farmers.

Despite its dynamism and relative strength, the organic food sector might still be in need of some adjustments. The type of change will largely pivot on the ability to increase yields, use innovations for precision farming, such as sensors, to set up market data collection systems and simplify logistics.

For Thomas Magnusson, president of Cogeca *“The agri-food cooperatives provide specific technical, agronomic and livestock advice linked with market developments. They play a key role in helping farmers to market their produce and capture a higher share of the value added in the food supply chain. Processing and distribution structures for organic products are still under-developed and the creation and development of professional, well-run and competitive processing and distribution structures operated by producers and their cooperatives must be welcomed and supported by the CAP. Cooperatives create the link between producers and consumers, they empower farmers and anticipate consumer needs.”*

The next Cogeca Presidency's Business Forum will take place in Valencia (ES) on March 21<sup>st</sup> and will focus on “Young farmers and tomorrow's agri-cooperatives” with the objective of highlighting the role and the actions that cooperatives could implement to foster generation renewal and the essential role of young farmers, a key stakeholder for their cooperative enterprises.

**- ENDS -**

Translations (in French, Italian, Spanish, German, Polish) will be soon available on [Copa-Cogeca website](#)

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