



(New, rural) business models, their mechanisms and impacts

BM name	Territorial cooperatives
Type	Territorial development
Sector	Services
Organisational scale	Territorial
Short description	Territorial cooperatives bring actors from a diverse range of rural sectors together, including agriculture, leisure, tourism, artisan products, etc. The common objective is to enhance rural entrepreneurship, to sustain rural development and to improve rural quality of life. This is done by exploring novel forms of territory-based collaboration, not only among each other, but also with public policy bodies and civil society organisations. Territorial cooperatives build strongly upon social capital and historically rooted cooperativism.
Mechanism	Territory-based cooperation and community building are the central mechanisms, often going along with a gradual diversification of commercial activity. Members share the conviction that going beyond sectoral thinking, from an economic and policy perspective, and systemic changes, are crucial for sustainable rural development. Especially their support for more integrative, inclusive and sustainable development initiatives makes territorial cooperatives interesting as a partner for public bodies.
Innovativeness	Territorial cooperatives are innovative primarily in their self-governance capacity. This includes novel forms of collaboration and novel types of relations with policy bodies. Expressions of this are the ability to take over policy implementation and accounting responsibilities. This in turn tends to reduce transaction costs, improve the effectiveness of policy tools and leads to further improvements in self-governance.
Value creation	Mixed value creation, including economic, ecological, cultural and community values.
Customers, product/service, revenue streams and main cost items	Rural dwellers, consumers and visitors of rural areas. A wide range of products and services, with particular attention paid to mutual benefits and contributions to sustainable development. Revenue streams comprise both private as well as public money. Main cost items are immaterial, for example the effort required to build trust-based relationships.
Societal impact	Beneficial <ul style="list-style-type: none"> • Social cohesion and social capital • Preservation of rural employment • Novel partnerships, coalitions and alliances • Sustainability and inclusive growth chains Negative <ul style="list-style-type: none"> • Possibility of a marginalisation of rural areas with less social capital
Rural-urban synergies	Integrative rural land use that facilitates the strengthening of rural-urban linkages, the blending of rural-urban values, the broadening of rural economic activity. Increase in the overall attractiveness and distinctiveness of rural areas and regional quality of life.



Connections with labour market and employment effects	<p>Preserving and diversifying rural employment prospects, as a key contributing factor on sustainable rural development.</p> <p>Territorial cooperatives succeed in mobilising public support, steering public funding towards rural economic activities.</p> <p>A particular impact is achieved by progressing tailor-made, integrated rural policy schemes with corresponding positive employment effects.</p>
Enabling factors	<ul style="list-style-type: none"> • Historically rooted rural cooperativism • Responsive public bodies • Experimental space for self-governance • Stimulating leadership
Limiting factors	<ul style="list-style-type: none"> • Lack of policy space for self-governance approaches • Cross-sectoral tensions • Conflicts between regulatory frameworks
Key partners and actors directly involved	<p>Rural entrepreneurs with different sectoral backgrounds, civil society organisations, and public policy bodies at local, regional, national, EU level (the latter for example related to CAP-reform).</p> <p>Commercial activity requires a certain responsiveness of urban and rural dwellers, and consumers.</p> <p>Touristic activities are depending on (inter)national visitors.</p>
Role of (local) government	<p>Particularly a facilitating role, e.g. by providing experimental space for self-governance or financial support for project development.</p>
Connections with the institutional / policy environment	<p>Territorial cooperatives are triggered by the absence of more tailor-made, flexible, integrative or inclusive policy tools, making their relations with formal institutional settings and policy environments, by definition, often ambivalent. These relations might sometimes improve, albeit with pitfalls and continuing issues of debate and discussion, intrinsically interwoven with searches for systemic change.</p>
Internal/network governance arrangements	<p>Internal relations of territorial cooperatives are primarily trust-based with relatively low access fees and organisational structures that mostly involve multiple activity fields that members may join. Sometimes such sub-groups develop sub-entities for collective commercial activity.</p> <p>Self-governance experiments in fields as nature and landscape management are combined with internal control and accountancy methods that aspire to significantly reduce policy implementation costs.</p>
A typical example	<p>"<i>Water, Land en Dijken</i>" (Water, Land and Dikes), a territorial cooperative in the vicinity of Amsterdam, https://waterlandendijken.nl/</p> <p>"<i>Noardlike Fryske Walden</i>" (Northern Friesian Woods), a territorial cooperative in the Northern Dutch Province Friesland with a strong territorial identity as key driver, https://www.noardlikefryskewalden.nl/</p>
BM references	<p>https://www.ileia.org/2014/09/15/territorial-cooperatives-carved-unconventional-pathway/</p> <p>http://www.ideassonline.org/public/pdf/TrentoCooperativeDistrict-ENG.pdf</p> <p>The cooperative approach under the new Dutch agri-environment-climate scheme. https://enrd.ec.europa.eu/sites/enrd/files/w12_collective-approach_nl.pdf</p> <p>Veld, Water en Dijk: www.waterlandendijken.nl</p> <p>Noardlike Fryske Walden: www.noardlikefryskewalden.nl</p> <p>Gebiedscooperatie IJssel delta: www.gcijseldelta</p>



	Background info on Dutch territorial cooperative movement: https://enrd.ec.europa.eu/sites/enrd/files/w12_collective-approach_nl.pdf http://www.cultivatecollective.org/in-practice/the-unconventional-pathway-of-territorial-dairy-cooperatives-in-the-netherlands/ https://www.ileia.org/2014/09/15/territorial-cooperatives-carved-unconventional-pathway/
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