

Collective Selling Points (PVC) G.I.E.

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Project code:

Project acronym: Smart Food Supply Chains

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Template for good practice cases

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Dissemination Level		
PU	Public	
PP	Restricted to other programme participants	
RE	Restricted to a group specified by the consortium	
CO	Confidential, only for members of the consortium	

1. Title of the case description

Joint sales points (point de vente collectif - PVC) to be operated in the form of Economic Interest Group (in French: G.I.E. groupement d'intérêt économique)

2. Indicate your role in the Smart Food Supply Chain:

- individual member of the chain:
- chain operator:
- network operator:
- association:
- technical, scientific, or management expert:
- advisor:
- policy maker:
- other:

3. Indicate the region (if applicable): [France](#)

4. WP2 Cross-reference table

Please indicate with an X in the relevant box of the matrix for which needs and the steps / functions of the supply chain the described innovative solution is applicable

		Individual steps of the SFSC							Short food supply chain as whole						
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
Needs of the consumers (citizens)	food safety														
	food quality														
	trust														
	ethical aspects														
	accessibility														
Needs of the chain actors	fair price														
	increased negotiating power														
	shared use of available resources														
	product development support														
	access to markets and consumers														
	access to infrastructure														

- 1: Farming**
- 2: Primary production**
- 3: Transport**
- 4: Processing and packaging**
- 5: Storage**
- 6: Logistics**
- 7: Sale**
- 8: Product integrity, authenticity, transparency**
- 9: Marketing concepts**
- 10: Food chain management and networking for enhancing cooperation among chain actors**
- 11: Business modelling**
- 12: Policy environment**
- 13: Legal requirements**
- 14: Labelling**

5. Short description of the innovative solution

- **Describe the specific need or problem being addressed by the case and please explain what is the novelty of this innovative solution**

Farmers are challenged by the necessity of the multiply activities, i.e. beside farming activity a farmer has to make administration, selling products and make the marketing by him/herself. Framers are not necessarily keen to join such cooperation with other farmers which create too much burdens of the cooperation they prefer a loose working together.

- **Describe the enabling function(s) and the practical benefit(s)-(e.g. for which types of problems and opportunities is used and can it be used, and how)**

Joint sales points (point de vente collectif - PVC) may sell products of farmers that are members of the particular PCV. The members make a decision on the management and legal form of operating a PVC jointly. PCVs may also take the form of agricultural cooperatives, an example is Cuma terres d'ici en Aveyron. The products remain in the ownership of farmers as long as they are sold to customer, so it deemed to be a direct sale (short food chain), PVCs are in fact sales channels rather than intermediaries. Any unsold product stays with the farmer's disposal. The sales via PVC as a direct link remains agricultural activity for tax purposes. The sale transactions are settled in a contract concluded by PCVs and farmers.

The purpose of the GIE is to facilitate or improve the economic activities of its members and to enhance and increase their efficiency. It allows members of a G.I.E. to come together in a very simple form and selling their products together in such a way that farmers himself does not have to be there and selling his/her product directly to consumers, but other members of G.I.E. may sell these products as if farmer would be there, on behalf of the farmer.

- **Describe the method/procedure/technology/solution implemented. (Please explain, whether the innovative method is a product / service / process / marketing or organisational / management innovation) After completing the description, please indicate, whether this innovation is a technological or non-technological one.**

As GIEs sell products at acquisition price (without buying the products, as it is a group sales form rather than an intermediary), in other words it earns no profit on the products received from farmers, and thus GIEs are exempt from paying VAT. GIEs invoice their payable VAT to the farmers who are then liable to pay VAT. Thus, GIEs sell products as an "association", and charge its members with their actual VAT together with the payment of the price of the products in its monthly/quarterly/semi-annual/annual accounting. The minimum number of the members is two, with no cap on the maximum number of members.

The sum of “commission”, or members’ contribution or membership fee varies. GIEs may use this sum to pay rent, wages, bank card service fee, and to pay any other costs incurred by the farmers.

technological

non-technological X

- **Describe the business, which implemented the innovated solution (size, country, region, location, type of food)**
usually it is a smaller and local form of operation, selling mostly primary products but in many cases processed food as well
- **Describe the distribution channels of the product(s)**
direct selling from farmer to consumer
- **Describe what makes the innovation work.**
farmer may focus on farming activity while the sale and marketing is made in a joint form together with other farmers
this form provides a wider variety of products to offer for consumers, this develops the merchandise-ability of the products

- **Describe the specific prerequisites for the business related to the implementation of the method and/or related to the location, method, procedure, solution**
 - a: **List the relevant necessary resources (including the estimated cost) for the specific innovation.**
Please list the relevant ones only (list is annexed)

materials: shop instalment

human: very basic costs for operation, mostly paying salary of assistance in the shop and

trust among farmers

- b: **List the relevant necessary capabilities for the specific innovation.**
Please list the relevant ones only (list is annexed)

basic skills to comply with the EU food safety regulations

ability to work together and able to share works

6. Describe the results, achievements and typical failures

better marketing of farmers products, sharing sale and marketing tasks

7. Summarize what makes the case to a good practice for the members of the SFSCs (e.g. lessons learned)

Farmers are working together in a loose cooperation without making large investments or full commitment in a corporate form

8. Aspects, methods for transfer of methods for other SFSC members

In order to transfer method it requires that Members State decision makers enc this form of cooperation of farmers in national legislation.

9. Recommendations for members of other SFSCs for further applications

Members States should enact this form of cooperation in national law.

10. More information is available at (web), if it is relevant

Note de service du ministère de l'agriculture du 07/04/2010 DGAL/SDSSA/N2010-8103, <https://info.agriculture.gouv.fr/gedei/site/bo-agri/instruction-N2010-8103>

Code de Commerce Art. L. 251-1 et s., Art. R. 251-1 et s.

<https://www.legifrance.gouv.fr/affichSarde.do;jsessionid=13FBE2B5E00640170F150>

EF9474BE12D.tplgfr34s_3?reprise=true&page=1&idSarde=SARDOBJT000007111725&ordre=null&nature=null&g=ls

Annex

1. Checklist for necessary resources (tangible and non-tangible):

- materials (access to: raw materials/ ingredients - including volume, land – including size, packaging materials)
- human: labour force: size, knowledge & skills (production, technical, marketing, managerial, ICT, financial, etc.)
- technology: patents, know-how, trademarks, copyrights, trade secrets
- infrastructure, equipment, facilities, - size, minimum volume of production/sales, IT infrastructure
- information, reputation, brand, trust
- financial*

*: estimated cost:

0 - 10 000 Eur
10 001 - 50 000 Eur
50 001 - 100 000 Eur
100 001 - 300 000 Eur
300 001 – 1 000 000 Eur
1 000 000 Eur above –

- other specific necessary resources for the application of the specific innovation

2. Checklist for the necessary capabilities

- **food safety:**
 - basic skills to comply with the EU food safety regulations
 - ability to understand what makes the product safe (the key controls, which ensure the safety of the product – biological, chemical and physical hazards, providing the safety shelf life of perishable products)
 - food safety culture (motivation, responsibility for food safety) and basic skills for the implementation of HACCP

- **food quality:**
 - ability to define the target segments of consumers for SFSCs
 - ability to define the product characteristics which are (tacit) basic requirements for the target segment(s) of consumers;
 - ability to define which product attributes/levels and augmented services represent an added value for the target segments of consumers;
 - food quality culture (motivation, responsibility for food quality);
 - production experiences which help to provide the expected quality reliably, uniformly;
 - ability to provide distinguishable quality which meets the needs of the targeted consumer segment;
 - meeting (local) legal requirements, application of the labelling rules;
 - ability to access the consumer willingness to pay for specific products of SFSCs.

- **trust:**
 - ability to ensure product integrity, authenticity and transparent information for the consumers (including systems, tools);
 - ability to access external trust enhancers (third party certification, internal certification system, participatory guarantee systems);
 - application of the labelling rules and branding (mandatory and voluntary);
 - ability to meet third party certification requirements

- **ethical aspects**
 - ability to understand consumer needs for ethical behaviour related to the specific product(s) of the SFSCs;
 - culture for ethical food production and supply;
 - ability to implement necessary measures to ensure ethical food production and supply;
 - ability to access the consumer willingness to pay for products meeting ethical aspects

- **accessibility to consumers:**
 - ability to organize logistics efficiently and to exploit innovative solutions and distribution channels;
 - efficient, innovative sales methods;

- ability to develop and implement new business models for ensuring access of consumers to products and augmented services;
- **fair price:**
 - collecting marketing information;
 - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management;
 - ability to define, develop or maintain unique quality of products and augmented services;
 - ability to develop and implement new business models;
 - ability to access the consumer willingness to pay for fair price
- **increased negotiation power:**
 - collecting marketing information;
 - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
 - ability to define, develop or maintain unique quality of products and augmented services;
 - ability to develop and implement new business models;
- **shared use of available resources:**
 - ability to enhance and maintain cooperation among chain actors including the shared and combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
 - the level of value chain management culture;
 - ability to access the consumer willingness to pay for food with reduced environmental impacts

- **input for R+D:**
 - ability to monitor, research, evaluate, and understand the needs and wants of customers and consumers;
 - ability to develop new products, processes, packaging, preservation techniques, systems and access to new markets, including in other categories;
 - access to innovative technologies; distribution and marketing solutions and methods. management systems;
 - access to local input for R+D covered by other aspects

- **access to markets: and market success**
 - effective promotion, customer service, efficient and innovative sales methods;
 - ability to understand consumer's needs;
 - ability to organise logistics efficiently and to exploit innovative solutions and distribution channels,
 - unique value propositions;
 - ability to develop and implement new business models for ensuring access of consumers to products and augmented services, develop the market accessibility for the suppliers.
 - stock control;
 - ability to access to required raw materials within a restricted geographical area

- **access to infrastructure:**
 - ability to use existing own infrastructure in a focused way to serve consumer needs or to combine it with complementary infrastructures of other SFSC actors, cooperation culture;

- **management:**
 - to implement management systems for vision, planning, implementing), coordinating, controlling, monitoring, continuously;
 - improving; ability to motivate, authorize staff;

- **production, processing:**
 - management system, production experience, specific controlling, monitoring, continuously;
 - willingness to consider and ability to evaluate the adoption of TECI and NTI in the current production processes;
 - any additional specific resources necessary for the application of the specific innovation.