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CZECH COOPERATOR

CO-OPERATIVE ASSOCIATION OF THE CZECH REPUBLIC



QUO VADIS, AGRICULTURAL CO-OPERATIVE

REVISING 20 YEARS OF CACR



CO-OPERATIVE ASSOCIATION OF THE CZECH REPUBLIC – STRUCTURE

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REPORT ON THE 18TH GENERAL ASSEMBLY OF THE CACR

The 18th General Assembly of the Co-operative Association of the Czech Republic (CACR) associating four co-operative unions and fulfilling the role of the national co-operative apex took place traditionally at the end of March. The meeting of the CACR supreme body was held on 27 March 2013 at its headquarters.

The representatives of the housing, consumer, production and agricultural co-operatives discussed at this meeting the issues of the co-operative movement in the Czech Republic and its umbrella organisation.

In accordance with the Statutes of the CACR, the delegates of the General Assembly have **acknowledged that the post of the President of the Board of the CACR will be held for a one-year term from 1 April 2013 to 31 March 2014 by Ing. Martin Pýcha, President of the Agricultural Association of the Czech Republic (AACR),** who will perform this post as unreleased president.

Ing. Vít Vaníček, President of the Union of Czech and Moravian Housing Co-operatives, **JUDr. Rostislav Dvořák**, President of the Union of Czech and Moravian Producer Co-operatives and **Ing. Zdeněk Juračka**, President of the Union of Czech and Moravian Consumer Co-operatives were elected the **CACR Board Vice-Presidents for a one-year term.**

A significant portion of the submitted Annual Report was devoted to the recently accomplished International Year of Co-operatives declared for the year 2012 by the Resolution of the 64th UN General Assembly. The CACR General Assembly was informed in this way



Ing. Martin Pýcha, President of the Board of the CACR

on the fulfilment of the tasks imposed by the previous General Assembly and by the CACR Board in the area of implementation of the objectives of the year and its promotion. Their fulfilment was participated not only by the CACR, but also by its member unions who implemented these tasks within their own activities. Overall, we can state that the imposed tasks were fulfilled, but some reserves in the promotion of the International Year have remained unused. The report informed on the activities of the CACR in the Czech Republic as well as on the participation of its representatives in international activities organised by the ICA and Co-operatives Europe.

The striving to institutionalise the co-operative sector in the system of state administration remains to be an important task also for 2013. An important beneficial fact is that the CACR is the official place for comments in the process of preparation and discussion of legal standards and that it has its representatives in some of the commissions of the Government Legislative Council.

In the resolution, the 18th General Assembly delegates formulated the tasks for the next period focusing, in particular, on the following areas:

- Use the 20th anniversary of the establishment of the CACR to promote the co-operative forms of business and the co-operative values.
- Continue close co-operation with the ICA in international relations with emphasis on the CACR membership and representation in the Co-operatives Europe bodies. Look for the opportunities for the CACR's involvement in the Co-operative Decade prepared by the ICA to follow up the results of the International Year of Co-operatives.
- The resolution also requires lobbying in favour of the interests of the entire co-operative sector and continued monitoring of the social economy issues at both the European and global levels with the aim of participating in its development and utilising the knowledge and experience in the domestic environment.
- In the field of training and education, the 18th General Assembly's resolution emphasised the continuation and further enhancement of co-operation with the academia and universities (providing lectures, professional consultation, etc.), advancement of the promotion of the Czech co-operative system in the CR and abroad by publishing the Czech Cooperator bulletin, operating dedicated websites and through other forms of promotion as well as the continuous replenishment of the collections of the Museum of the Co-operative Movement.

CURRENT INFORMATION ON THE ACTIVITIES OF THE CACR MEMBER UNIONS

Activities of the UCMHC

Ing. Vít Vaníček – President of the UCMHC

The Union of Czech and Moravian Housing Co-operatives (UCMHC) is an interest association of legal entities under the Civil Code which brings together housing co-operatives and associations of co-operatives and possibly other legal entities with similar activities. The common features of all these entities are the following principles: voluntary and open membership, democratic control, equality, justice, solidarity, autonomy, and independence. The main activity of the UCMHC is to discuss the common issues of its members and to represent them in any such matters. The UCMHC protects and promotes the interests of housing co-operatives in the negotiations with the Government, the Czech Parliament, and other state and non-state authorities and organisations. It represents its members in the relevant international organisations and promotes and communicates information and experience from the international co-operative movement.

The UCMHC is governed by its own Statutes adopted at the annual General Assembly of housing co-operatives attended by delegates from the individual regions. In the regions, the co-operatives meet at their conferences and meetings with the housing co-operative workers and officials to address common problems.



Headquarters of the Union of Czech and Moravian Housing Co-operatives (UCMHC)

The UCMHC is managed by the Board elected from the representatives of the individual regions. It is equipped for its operation with the necessary apparatus consisting of experts in housing issues, management of co-operatives and legal and technical issues associated with housing. These specialists process legislative proposals and apply them to make them comply with the interests of the UCMHC membership.

The Union of Czech and Moravian Housing Co-operatives is a member of the Co-operative Association of the Czech Republic, a nationwide co-operative main office, which is the official place for comments in the legislation process. It is through the CACR that the UCMHC comments on the legal regulations being prepared. The UCMHC thus has the possibility already at the stage of presentation of

new laws to enforce their changes to prevent them from doing any harm to the housing co-operatives.

Since 2004, the UCMHC has published the thematic magazine on co-operative housing Družstevní bydlení. It is issued every two months and brings 50 pages of news and information from the life of the housing co-operatives and the flat owners associations from across the Czech Republic. The magazine is distributed free of charge to all members of the Union. At the same time, the UCMHC publishes its newsletter (Zpravodaj SČMBD) serving the needs of the members and providing latest information from all areas.

To facilitate the activities of the UCMHC, territorial offices are established in all regions of the Czech Republic, which provide the co-operatives in the given territory with all the needed information, especially in the technical, economic, and legal areas and, at the same time, they transmit the requirements of the members to the UCMHC, which, in turn, is then enforcing them in relation to the state authorities.

In general, the UCMHC and the offices of its councils are trying to help the housing co-operatives in all activities carried out by the co-operatives. Similarly, they settle at the request of the housing co-operatives their specific problems encountered in practice. Thanks to its vast membership, the UCMHC is a recognised partner for meetings of the central authorities and this makes it possible for it to enforce its requirements, which are naturally based on the requirements of the housing co-operatives. Common members or even officials are perhaps not aware of many of the activities, but their interests and needs are in fact promoted and protected by the UCMHC at all levels every day.

From among the specific activities of the UCMHC in the past period, we can mention the following with respect to the various methodological areas:

Legislative and legal area

As part of the recodification of the whole private law system, the UCMHC worked closely together with the proposal processors of both the new Civil Code and the Act on Trading Corporations and Co-operatives. In the course of the preparation of this legislation, the UCMHC submitted a number of proposals, many of which were successfully pushed through in the discussions. As an example, we can mention the regulation of settlement share, representation of members at the assembly of delegates, the possibility of inheriting the co-operative share or the establishment and cancellation of joint membership of spouses, the adjustment of the pledge of co-operative share and flat co-ownership as a mere dispositive provision of the law, etc.

The above-mentioned recodification of private law is related to the UCMHC's activities leading to the preparation of new sample documents regulating the activities of the co-operatives and the flat owners associations. In connection with the new Act on Trading Corporations and Co-operatives, the UCMHC prepared and in early May 2013 published for its members the model statutes of a "big" housing co-operative, i.e. a co-operative with an assembly of delegates, including the relevant commentary. By the end of June 2013, the UCMHC plans to publish a similar model sample for "small" housing co-operatives. Thereafter, i.e. in the second half of 2013, the model statutes will be processed for flat owners associations. The above models will be continuously supplemented with related documents.

At present, the UCMHC, as a member of the Advisory Commission established by the Ministry for Regional Development (MRD) of the CR, cooperates in the development of the Act on the transfer of ownership of the units of some housing co-operatives, the matters connected therewith and the amendment of certain acts, which will replace Act No. 72/1994 Coll., on the ownership of flats.

In the legislative and legal area, the UCMHC dealt, inter alia, with the draft amendment to the Code of Civil Procedure, which concerns the co-operatives primarily with respect to auctions of co-operative shares or the currently growing problems of insolvencies and personal bankruptcies. The UCMHC has had talks in the long term with the representatives of the Office for Government Representation in Property Affairs concerning the escheats or the issue of the plots of land on which co-operative houses are standing.

Technical area

To facilitate the conditions of the New Panel and Green Savings Programmes, the UCMHC repeatedly negotiated during the period 2009-2010 with all the involved authorities, i.e. the Ministry for Regional Development, the State Housing Development Fund, the Ministry of the Environment, and the State Environmental Fund. The tangible results of the UCMHC's activities include, for example, the programme transfer from the de minimis regime to the block exemption regime. A standard service for the co-operatives in connection with this programme was the assistance of advisory and information centres of the UCMHC in the processing of the opinions on the applications for support, of which the UCMHC prepared for its co-operatives more than two thousand.

In case of the Green Savings Programme, the UCMHC was the first and sharpest critic of the unrealistically set conditions of the programme operation and it initiated activities leading to their modifications with effect from 17 August 2009 (1 September 2009 in the case of prefabricated houses). In view of the subsequent “organisational” problems associated with the administration of the applications submitted, the UCMHC participated until the end of 2012 in solving the problems that the co-operatives were facing under this programme. In connection with the issues mentioned above, the UCMHC issued a technical publication “Green Savings in Combination with New Panel” addressing the above-mentioned and other relations. This publication was distributed to all co-operatives free of charge.

The UCMHC participated and continues to participate in the preparation and implementation of other programmes designed to support the repair of apartment houses, such as the Integrated Urban Development Plans and the Joint European Support for Sustainable Investment in City Areas (JESSICA).

In the technical area, an important activity of the UCMHC was also its participation in negotiations with the tax authorities and the Ministry of Finance regarding the cancellation or mitigation of the negative impacts of the inspections regarding the drawing of funds from subsidies (the Panel programme, the emergency programme, etc.). Over the past 5 years, we have successfully helped in this area dozens of co-operatives which were in danger that they would have to return subsidies and pay the related penalties for more or less formal misconduct totalling about CZK 250 million.

Furthermore in the technical area, the UCMHC was engaged and continues

to be engaged in the amendment of the related laws, technical regulations and standards. To name but a few, we can mention the amendment to Act No. 183/2006 Coll., the Building Act, Act No. 406/2000 Coll., the Energy Act and the related implementing decrees. Here, it is necessary to draw attention to Decree No. 78/2013 Coll., on energy performance of buildings, which provides for the obligation of house owners to process the certificates of energy performance of buildings.

The technical area and operation of buildings is also related to the issues of fire protection and safety at work. The UCMHC ensures by its own staff and at overhead prices the regular training of the chairpersons and managers of co-operatives in this area as well as the training courses for the fire prevention officers.

Economic area

From among the current topics in the economic area, it is possible to mention the participation of the UCMHC in the preparation of Act No. 67/2013 Coll., to regulate certain issues relating to the provision of performance associated with the use of flats and non-residential premises in apartment houses. For the first time in history, it regulates the services connected with the use of flats in all forms of housing – rental flats,

co-operative flats, and flats of owners. The UCMHC managed to push through the adjustments to the wording of this law in accordance with the requirements of the co-operatives.

Despite the general consensus regarding this regulation, the UCMHC has drawn the attention of the Ministry for Regional Development to the unclear procedure in “mixed” houses, where there are flats used under the general right of tenancy, the co-operative tenancy, and in some cases there are flats used by their owners. We assume that this issue will be clarified before the entry into force of the Act.

In the economic area, we must also mention the training on annual financial statements and corporate income tax, which is regularly required by the co-operatives every year.

Another important activity of the economic department was the assistance to the co-operatives regarding their current accounts, appreciation of free financial funds, and the granting of credits. To this end, we have concluded co-operation agreements with the banks Sberbank CZ (formerly Volksbank CZ), ČSOB, the Wüstenrot building society and bank, and the JaT bank.

Headquarters of the Union of Czech and Moravian Housing Co-operatives (UCMHC)



Strengthening the Bipartite Dialogue in Consumer Co-operatives

Ing. Zdeněk Juračka – President of the UCMCC

The Union of Czech and Moravian Consumer Co-operatives (UCMCC) is involved in the project “Strengthening the Bipartite Dialogue in Sectors.” The main implementer of the project is the Confederation of Employers’ and Entrepreneurs’ Associations (KZPS) and the main social partner is the Czech-Moravian Confederation of Trade Unions (ČMKOS). The project went through the relevant approval procedure, which was completed in mid-June 2010. The funds approved for the project amount to CZK 76 million for a period of 36 months. The project is participated by 12 platforms and the issues associated with the project are dealt with by 80 people.

The project implementation is covered by the resources of the European Social Fund in the Czech Republic as part of the Human Resources and Employment Operational Programme.

The aim of the project is to create a sustainable environment for the conducting of a sectoral social dialogue and thereby contribute to enhancing the adaptability and competitiveness of employees and employers.

The issue of trade is dealt with by the Trade bipartite platform. The activity of this platform is based on teamwork and specialists from both sides of the social dialogue are participating in it. For the employers’ side these are the specialist for the conduct of social dialogue and the specialist for labour-law relations in trade. The social partner for the trade unions’ side is the specialist representing the employees of this sector, who in this case is the representative of the basic trade union organisation within the Union of Czech and Moravian Consumer Co-operatives (UCMCC). In

view of the fact that from this sector of trade, the UCMCC is the only entity involved in the project, a significant portion of the addressed issues is devoted to co-operative trade. Therefore, the UCMCC took part in the creation of the personnel capacities of the project. The Trade bipartite platform has been implementing the project at three levels. The main topics are:

1. The importance of trade as an employer
2. The labour-law relations in the trade sector
3. The situation in vocational education with a focus on the needs of the trade sector

In my paper, I would like to address the second topic **“The Labour-law Relations in the Trade Sector.”** The solution of which has already been completed at the national conference held on 20 March 2013 in Klánovice.

The **aim** of this specific topic **was primarily** to improve the position of the trade sector employees in relation to the employers, describe the situation of occupational safety and health in the trade sector, promote employment in trade and increase the sector’s competitiveness.

To find the principle objective of the project, the project’s methodical procedures were followed and the tasks associated with the individual stages of the project were provided by the platform implementation team. In particular, it was important to ensure the **production of the problem impact study**, which became the basis for the subsequent workshops. The impact study was prepared by Sinfin, s. r. o. Praha.

The **content of the impact study was focused primarily** on the adequate

overview of the situation in the field of labour law in the system of the consumer co-operative sector. At the same time, based on the information provided by the individual consumer co-operatives, we obtained the necessary overview about the structure of employees by gender, age, education, types of stores, methods of establishment and termination of employment, etc., which had not been available in the Union of Czech and Moravian Consumer Co-operatives and now will be used for conceptual and other materials. The study provided an adequate overview of the amended legislation in the area of labour law, together with the expected practical implications for the sector of trade.

The study further identified the following **key issues in the field of labour-law relations**:

- Impact of the high labour **turnover** on retail and wholesale and the related services, which is reflected in the revenues and interconnected with the employment rate;
- Impact of the high **proportion of vulnerable age groups** on the labour market in the total employment rate in retail and wholesale and the related services;
- Impact of the **unsystematic approach to continuous and lifelong learning** on retail and wholesale and the related services (with an emphasis on the difficulties in rapid acquisition of new technological solutions).

In the framework of the project, there were **5 workshops implemented on the part of the employees, 8 workshops on the part of the employers and 26 joint workshops.**

Another activity was the **publication of a printed manual** representing a kind of

guidance for the trade sector including an indication as to how to proceed in the social dialogue. The manual is the output of the second stage of the trade platform in the project, it characterises the labour-law relations in the sector of trade and suggests **solutions to improve the situation in this area.**

In this respect, it should be pointed out that work in trade is demanding in terms of physical and psychological stress, it is time-consuming (due to the considerable feminisation of trade it is difficult for the employees to reconcile work with family responsibilities), associated with a great deal of responsibility for goods and money, and requires knowledge of a lot of laws and regulations. This, however, does not correspond to its financial evaluation. The average wage in trade represents approximately one-half of the average wages in the economy as a whole. All of this leads to a low level of interest in this kind of work.

Although we cannot expect any radical changes in the current economic situation, there are areas in which it is possible to strive for improvement.

Internal reserves

Due to the different economic positions of the individual co-operatives, there is no single or identical guide or procedure. However, there are some generally applicable reserves as follows:

- Level of personnel work – selection of workers, improvement of their skills, etc.;
- Professional personnel training – its implementation is very difficult especially for workers from one-person stores (impossibility of substitution, etc.);
- Level of personnel awareness (especially the co-operative members) of the economic situation of the co-operative and thus also of the real

possibilities for improving the working conditions and remuneration;

- Dialogue between the employer and the employees in various forms (collective agreement, negotiations within the co-operative bodies, etc.) as a way to establish mutual trust and search for internal reserves – feedback is needed;
- Finding other ways of awarding quality work than the financial reward itself.

External conditions

- **Insufficient interest of the state in the area of trade.** The consumer co-operative sector has a considerable part of its network of retail stores deployed in rural areas, which from the business point of view are mostly insufficiently profitable or unprofitable. The operation of these stores is causing serious economic difficulties to the co-operatives and leads gradually to their partial closure. The failure to ensure adequate supply for the population is one of the reasons leading to the depopulation of villages.
- **Insufficiently specific legislation regulating the labour-law relations in the area of trade.** The labour-law legislation (in particular the Labour Code) is non-specific and causes considerable problems not only to consumer co-operatives, but also to all solid business entities operating in the retail sector. There is no room for the needed specific adjustment to conform to this area of business.
- **Differentiated approach of the state to the entities operating in the area of trade.**

An essential part of the manual, which has gained much attention, is the summary of findings acquired in the workshops and summed up by the implementation team in the following points:

- Legal regulation of employment relationships for a fixed period, which does not allow a flexible response

to a temporary need for workers (especially seasonal);

- The pre-employment and periodic medical examinations of employees (problematic distribution of specialised medical facilities due to the large territorial scope of operation of the co-operatives, financial burden, and inconsistent interpretation of the eligibility of the costs incurred);
- The obligation to prove the existence of an employment relationship at workplaces (with a larger number of employees, the production of copies of the employment contracts was administratively and financially demanding); the procedure of the inspection authorities in this field is inconsistent, the checks are conducted alternately by different bodies requiring similar documents;
- Securing the obligations of employees of an external entity in terms of the occupational safety legislation;
- The legislation allowing the employees of retirement age to continue conducting seamlessly their employment and draw simultaneously the retirement pension complicates the human resources work, because it is not clear when such an employee would terminate the employment, which creates a problem when securing replacement for that employee's position;
- The legislation regulating employment of disabled persons is financially burdensome for the co-operatives, the establishing of these jobs is not sufficiently supported, and from 2014 the situation will be even more difficult;
- Frequent legislative changes cause unnecessarily cancellation of the functioning legislation when new rules are being introduced that do not always correspond to the needs of the practice; changes contrary to the declared principles of business aid are often increasing the administration and bringing additional financial burden;

- The employer has only few options to protect employees in the stores, especially the small ones, from violence (it is not possible to announce publicly a thief, access of conflicting persons cannot be prohibited), the state protects rather the offenders and repeated theft of goods represents an offence at the most;
- When hiring new employees it is impossible to verify their previous job history – labour books had proved well in the past;
- Problems with taking work breaks, especially in small stores;
- Consumer co-operatives consider it necessary to ensure a manual of obligations for the operating staff of the COOP system;
- It is appropriate, especially for small co-operatives with a small number of employees, to organise training at the level of the UCMCC;
- As regards collective material responsibility, it is basically the only legal option of consumer co-operatives to ensure the protection of property (goods) in the stores; this applies, in particular, to small stores where other preventive measures are virtually unthinkable. This is a specific feature of the consumer co-operatives (but also of other Czech commercial chains) as compared to foreign chains.

The manual was received by all the conference attendants. It is intended for a wider professional public as well. All these issues were thoroughly discussed by the Klánovice conference attendants.

What could we say in conclusion of this stage of the project?

Based on the findings gained in the workshops carried out within the COOP group, we can conclude that some of the claims of the impact study

about the labour-law relations in trade have been corroborated in practice. The conference held on 20 March 2013 in Klánovice, which dealt with the possible solutions to these issues, adopted the following conclusions:

Work in trade (especially in retail) is demanding in terms of physical and psychological stress, it is time-consuming and associated with a great deal of responsibility for goods and money, it requires the ability to communicate with people, especially the consumers, and knowledge of a lot of laws and regulations.

The consumer co-operative sector has a considerable part of its network of retail stores in areas with minimum profitability or even in unprofitable areas. The operation of this network without the support of the state leads gradually to the partial closure of the stores. The failure to ensure adequate supply for the population contributes to the depopulation of villages. A side effect is the loss of jobs in places where there are not enough other alternative options.

The state, especially its control authorities, is insufficiently creating preventive measures against the illegal conduct of certain competitors operating in the field of trade, which is reflected in non-reporting of sales, illegal acquisition of goods, tax evasion, etc., and the state's control and penalisation in this area is insufficient.

The legal regulation of labour-law relations in the trade area does not show the necessary specifics corresponding to the nature of the work and deepens the administrative burden for employers, in particular:

- adjustment of the fixed-term employment relationships
- input and periodic medical examinations of employees
- obligation to prove the existence of employment relationship in the workplace
- employment of disabled persons, insufficiently supported by the state
- insufficient protection of workers in the stores from violence – small penalties for theft and other offences of conflicting persons.

The state, in particular the Ministry of Industry and Trade, pays insufficient attention to the situation in the area of trade, there is no adequate concept developed in collaboration with the representatives of the trade entities and there is an overriding reliance on market self-regulation even in places where the market environment does not exist or is minimal. Therefore, it is recommended that a summary of the above problems be included in the conclusions of the project and their solution be enforced with the relevant authorities of the state or the EU.

The conference was attended by more than 100 participants, mainly from the consumer co-operatives of the Czech Republic



Production Co-operatives are Headed by Successful Managers

JUDr. Rostislav Dvořák – President of the Board

The Prague Žofín Palace saw the announcement of the results of two major national business competitions. Every year, the chairpersons of production co-operatives occupy the top places in these competitions.

The **Manager of the Year** competition is the most prestigious and in terms of the criteria, the most elaborated managerial competition in the Czech Republic. Its aim is to objectively find and independently select and highlight the best and most important managerial personalities, their methods and contribution to the development of companies and the economy of the CR. The social and ethical mission of the event is to contribute to the development of the Czech management elite. The competition is announced by the Confederation of Employers' and Entrepreneurs' Associations of the CR, the Confederation of Industry of the CR and the Czech Management Association.

The title of the Sector Manager in the sector of manufacture and sale of textiles and clothing was awarded to Ing. Leo Doseděl, chairman of the clothing

co-operative MODĚVA Konice. The winner in the sector of chemistry and plastics was RNDr. Roman Hrnčíř, CSc., chairman of the chemical production co-operative Severochema, Liberec.

Jan Wiesner, Honorary President of the Union of Czech and Moravian Production Co-operatives and President of the Confederation of Employers' and Entrepreneurs' Associations was inaugurated to the Hall of Fame.

An example of successfully continuing managerial generations is this year's category of Young Managerial Talent of up to 35 years. The winner in this category is Ing. Petr Blažek, director and vice-chairman of the board of the production co-operative Dřevojas Svitavy. He represents already the second managerial generation in the co-operative. He seems to have inherited the leadership abilities and competitive spirit from his father Zdeněk, who was also the winner of the Manager of the Year competition.

The organiser of the **Marketer of the Year** competition is the Czech Marketing Association. The aim of the competition

is to select personalities who are involved in the successful development of their company or institution, as well as in the development of marketing in general.

Based on individual assessments of the respective members of the evaluation commission, the Small Dolphin award was received by Ing. Pavel Pastorek, chairman of the wine-making co-operative Templářské sklepy Čejkovice, for successfully building the company's competitiveness through consistent application of marketing.

A diploma for nomination was received by Stanislav Husník, chairman of the chemical production co-operative Styl Neratovice and by Ing. Miloslav Šorejs, chairman of the artistic production co-operative Granát Turnov.

Ing. Pavel Pastorek, chairman of the wine-making co-operative Templářské sklepy Čejkovice



Miloš Zeman, President of the Czech Republic, and award-winning chairpersons of the UCMPs



The Association of Employers of Handicapped People of the CR Celebrates Its 20th Anniversary

Ing. Karel Rychtář – Director of the Department of Production Co-operatives of the Disabled

The Annual Conference of the Association of Employers of Handicapped People (AEHP), which is a partner of the Union of Czech and Moravian Production Co-operatives in addressing the issue of employment of handicapped persons, took place on Tuesday 28 May 2013 in the Prague Olympic Hotel. The invited guests included, inter alia, the Vice-President of the Senate of the Czech Parliament Zdeněk Škromach, Chairwoman of the Subcommittee on Employment of the Lower House Vladimíra Lesenská, Deputy Minister of Labour and Social Affairs Roman Chlopčík, Vice-Chairman of the National Council of Persons with Disabilities of the CR Jiří Morávek, and dozens of other guests who along with the founders of the AEHP recalled its history and key events.

The second part of the conference was devoted to a view in the opposite direction. After the not thoroughly accomplished social reform in 2012, which affected also the tools for the support of the employment of people with disabilities, the employers demanded that the coming months should be used for constructive preparation of



Josef Šulc, Chairman of the AEHP, and Ing. Karel Rychtář, Vice-Chairman of the AEHP

system changes based on national studies and international experience.

The main priorities perceived by the employers are, in particular, the solution of the assessment and diagnosis of the residual work potential of persons with disabilities, categorisation of the types of employment of persons with disabilities, state control and registration of the substitute performance of the compulsory share of employed persons with disabilities, and the simplification of the system of recognition of employers authorised to use the support tools. Finally yet importantly, education and consultancy on specific tools and their application in practice of the individual persons with

disabilities, the managers of employers and the specialised state administration employees.

The Association of Employers of Handicapped People of the Czech Republic was founded 20 years ago and is 40 years younger than the UCMPC. Today it is an association representing 130 employers with more than 15 thousand employees. It collaborates with many partners at both governmental and non-governmental levels and is involved in activities to promote systemic solution of work integration of people with disabilities into life and primarily into employment.

People in the Right Places—The 20th Annual Manager of the Year Competition

PhDr. Ing. Jaroslav Šubrt – Member of the National Evaluation and Selection Committee of the Manager of the Year Competition

During the period when the most prestigious competition of managers has been held in the Czech Republic, it has become a well-known fact that those who successfully go through the demanding competition and become perhaps just one of the finalists, gain credibility and membership in the league of the country's best managers.

Most managers commented on their participation as an opportunity to measure and test their qualities, meet with the top managers of the CR from the entire national economy, compare with colleagues in their field of business and ultimately enhance the prestige of their profession. The representation of

managers nominated by the Agricultural Association of the CR (AACR) at the 20th annual competition was the largest in the competition's history, inter alia, thanks to the support of the President of the AACR Ing. Martin Pýcha. In this jubilee year, when the event was for the first time attended by the President

of the CR Ing. Miloš Zeman, CSc., the AACR nominated 9 representatives in three business sectors out of the total number of 28 sectors evaluated. There are hundreds of nominated managers, but just tens of them are the finalists. In this most renowned and objective managerial contest, the evaluation is very sophisticated, having many stages. The last stage is the National Selection Committee, which meets always a few hours before the announcement ceremony in the Prague Žofín Palace. The National Selection Committee consists of the Managers of the Year from the previous years, the organisers (presidents of the Czech Management Association, the Confederation of Employers' and Entrepreneurs' Associations of the CR, and the Confederation of Industry of the CR) and of the President or, as appropriate, a member of the Evaluation Committee, which prepares the supporting documents. The Evaluation Committee consists of respected experts from the theory and practice of management and economics, professors and senior lecturers of several colleges and universities. It consists also of expert practitioners from different disciplines and sectors of business, e.g. emeritus CEOs, chairpersons of co-operatives, the Czech Management Association director, etc.

The managers nominated by the AACR belong to the top. This is evidenced by the placings in the past years. For example, Ing. Jiří Zelenka, chairman of the Agricultural Co-operative (hereinafter "ZD") Krásná Hora, district of Příbram; Ing. Pavel Navrátil, Ph.D., chairman of ZD Trhový Štěpánov, district of Benešov; Ing. Jiří Pevný, chairman of Agrodružstvo Višňové, district of Znojmo. They became the "Managers of the Year" and thus stood on the top of the pyramid in 1993, 1994 and 1998 when they became members of the elite. The "Top 10" category was newly established in 2002 and the managers

listed in 2005 and 2008 included Ing. Jaroslav Mikoláš, executive of Lupofyt, district of Rakovník, and Ing. Václav Klejch, chairman of ZD Dolní Újezd, district of Svitavy. In this year, a place in the TOP 10 was occupied by Ing. Václav Škeřík, Ph.D., chairman of the board of directors of FARMTEC. The placement in this category is in a way more valuable than the winner of a specific sector, because as mentioned above, there were 28 evaluated sectors this year.

The evaluation of managers re-gards, inter alia, a number of instruments, such as SWOT, PEST, and 3P analyses. In the first case it is necessary to identify the Strengths and Weaknesses of the company, as well as of the manager. Then there are the Opportunities and Threats, which is more or less a microeconomic analysis. Interesting also is the PEST analysis, which represents a macroeconomic consideration (analysis). We don't have enough space here, so it can be noticed just in short that it is about the Political, Economic, Social and Technological environment. Using the SWOT analysis, we can then comprehensively evaluate the functioning of the company and find problems that need to be urgently addressed. In the field of human resources, the strengths and weaknesses are understood as an analysis of the present. Thus, for example, whether their businesses have the nature of a "learning organisation," which has 12 indicators. Out of the 12 characteristics, there are somewhere 5, somewhere 8 and elsewhere again 10 characteristics present. These characteristics include, for example, the following: the workers from all departments participate in formulation of the corporate vision and strategic objectives, the employees know the vision and strategic objectives and participate in their elaboration into the goals of sections, and the managers regularly encourage the subordinates to express openly their opinions,

views and suggestions to improve their work. Furthermore, whether the managers prefer the participative style of management and encourage teamwork, whether the motivational system is developed in accordance with the strategic objectives and with respect to personal development and sense of belonging to the company. Whether teams are created to solve complicated tasks, whether regular evaluation of the results is carried out, whether the needs of education are based on the analysis of development needs, whether development activities are supported and continually evaluated based on active learning, learning from own experience, etc.

The evaluated managers are aware that an important role is played by corporate culture, brand building (so-called branding), and human capital (the term human resources is not considered appropriate by them). What has been fulfilled is that all the leaders exude positive energy that is contagious and ensure that the workers know, live and breathe the company's vision. They know that governance is not the managing of things, but the developing of people, they know that recognition encourages better job performance and therefore, they attach undeniable importance to emotional intelligence (EQ), which is often more important for managing people than mere rational intelligence (IQ). Many of them have excellent negotiating skills and even work with the term BATNA – Best Alternative to Negotiated Agreement, which is a procedure leading to the search for an optimal solution acceptable to both parties. There is no doubt that besides these positive moments, there are a number of reserves and some other as yet unthought-of can be identified by sociological techniques, such as enquiring about the requirements for further education of managers, etc.,



Successful managers nominated by the AACR for the last 10 years before the Žofin Palace, where the results of the competition are traditionally announced, this time with the participation of the President of the Czech Republic

which is a task for the professional organisations. Anyway, we can say with some exaggeration that the evaluated managers are sometimes not fully aware of their roles, which include, in particular:

1. Evaluate people (the right people in the right places);
2. Coach people (lead them, communicate feedback, constructively criticize, but also help them – refer to the “learning organisation” and its indicators);
3. Strengthen confidence (care for them, let them know their contribution to the company, thus appreciate their work);
4. Eliminate “toxic” employees (most often, these are persons subject to narcissism, vindictiveness, perfectionism, authoritarianism within the meaning of the use of formal authority resulting from immaturity, etc.). The best defence against toxic workers is to recognize the warning features before their promotion or through the references before their hiring. Once such an error occurs it is necessary to act without delay, or else they significantly reduce the productivity of the company and eventually disrupt it.

The argument of the competition credibility is that the managers are not evaluated merely by the figures, fabricated arguments and data in the application, but in particular, that the information is reviewed and assessed in practice directly “on the spot,” for example in the form of management audit in the workplace with the obligation to see all the company’s operations. Of great importance is non-verbal communication (what we see contains much more information than what we hear), which tells far more (about 80%) than verbal communication. When I’m walking with the evaluated manager through the company’s operations taking note, for example, of the order in the workplace, the reactions of co-workers, etc., it is possible with a high degree of accuracy to assess the atmosphere, teamwork, or management methods in the enterprise, i.e. the overall managerial style and approach of the evaluated person to the management of things, management of people, problem solving, etc.

A strong appeal, which has been present in the competition in the last years, is the criticism of corruption

and of the negative climate in society. According to the top managers, this already is the demoralization of society in which the politicians have a major share of blame. There is every indication that politicians have been hired to promote group interests of various “mafias” at the expense of society as a whole. There is every indication that the politicians have no real interest in solving this situation, they are willing and able at the most to talk about it at great length. What is interesting in this context is that the phenomena peculiar to the decline of society are now beginning to emerge, such as the falling level of education in secondary schools on the one hand and the improvement of our rhetorical skills or, to put it simply, the ability of the politicians to comment on anything and everything, instead of doing something with it, on the other hand. Furthermore, for example, the state administration is full of still less and less quality people, being rather dominated by those who help to fill the party’s coffers and are instrumental in corruption, incompetent political leadership and their moral profile. All of these are factors destabilizing the society internally. If we fail to set

such ethical standards that would make the behaviour of this kind disadvantageous, we will not move forward for long. Here we can recall the words of the author Karel Čapek “He who was decent, used to be always decent. He who became a defector, used to be always a defector. Who had no faith, had never have any. Man cannot be changed, he will just show his true colours.” What should we think about a politician who, as a former

secretary of the District Committee of the Socialist Youth Union, is now a right-wing minister who, in addition, has in fact no in-depth understanding of the problem entrusted to him? In other words, this is the same as what has been said by the President of the Czech Bar Association and Senator Jan Veleba that the government of the CR is not competitive. Metaphors and slogans are often used in many fields, i.e. simple statements condensing a specific

problem into an understandable axiom and here we can quote the Czech educational reformer Comenius who said that “education in a frail man is nothing more than a piece of jewellery in a swine’s snout.” Today, the politicians clearly state that the continued inefficiency of the state administration leads to more massive corruption and to the debts of the Czech state. In fact, one can say that the privatisation of the state and public administration in the CR by the political parties leads to bankruptcy and massive corruption, which is a way already started, for example, by Greece, Italy, etc. To express it in a concentrated form, democracy stands or falls with the confidence of citizens in the political elite and the fairness of the political process, which, in my opinion, has already been heavily disrupted in this country.



The most successful managers nominated by the AACR, Mgr. Lubomír Stoklásek (third from right), absolute winner for 2011, CEO of Agrostroj; Ing. Jiří Zelenka (fourth from left), absolute winner for 1994, chairman of the co-operative ZD Krásná Hora; Ing. Václav Škeřík (second from right), placement in the prestigious TOP 10 category for 2012, CEO of Farmtec; Ing. Jaroslav Mikoláš (second from left), placement in the prestigious TOP 10 category for 2006, with the competition evaluators (from left to right) PhDr. Ing. Jaroslav Šubrt from the AACR, Professor Adolf Rybka, Czech University of Life Sciences Prague, and Director of the Czech Management Association Dr. Rostislav Lukovič

The awards to the best managers of seven sectors of the economy were handed over in the Žofín Palace in the presence of the Czech President Miloš Zeman by the President of the Co-operative Association of the CR and of the Agricultural Association of the CR Ing. Martin Pýcha and by the Vice-President of the CACR and President of the Union of Czech and Moravian Production Co-operatives JUDr. Rostislav Dvořák.

Quo Vadis, Agricultural Co-operative, in the Co-operative Decade?

JUDr. Ing. Karel Nedbálek, PhD – Chairman of Agricultural Co-operative Velké Pavlovice

The year 2012 was of great importance for the co-operatives. The 64th General Assembly of the United Nations declared the year 2012 the International Year of Co-operatives. The aim was to increase the awareness about co-operatives around the world and to appeal to the national governments to give greater support to the co-operative sector in their countries. Subsequently, the International Co-operative Alliance announced at its meeting in Manchester

the year 2013 as the beginning of the Co-operative Decade. It is therefore needed to become more united and proceed jointly in the spirit of the International Co-operative Year’ motto to “Build a Better World.” It sounds somewhat too enthusiastic, but the world, represented by the developed countries, feels that building co-operatives will lead to stabilisation of national economies, and thus to the release of tension in the world.

The co-operatives association inherently includes the AGRICULTURAL ASSOCIATION OF THE CZECH REPUBLIC, which brings together co-operatives and commercial companies operating in the agricultural sector and supports the development of modern forms of agricultural enterprise. Everyday practice shows that agricultural and sales co-operatives clearly form an integral part of the business activities in rural areas. Co-operative enterprise in

the agricultural sector is an important traditional form of business worldwide and in the CR.

Co-operatives are characterised by a certain element of democratic vote. It happens that under the mandatory rules, a co-operative member has only one vote, unless the Statutes provide otherwise, regardless of further property contributions. It means that it is necessary to change the Statutes, decide on dissolution of the co-operative with liquidation or its transformation, and decide on the conclusion of contracts under Section 67 of the Commercial Code and other major property dispositions. Simple majority and sometimes two thirds of those present are required for approval. The new Act No. 90/2012 Coll., on commercial companies and co-operatives (Business Corporations Act), which comes into effect on 1 January 2014, retains the rule that each member has one vote when voting at the membership meeting, but there is also a certain change in the case of voting on the approval of the provision of financial assistance, payment duties, dissolution of the co-operative with liquidation, transformation of the co-operative, or issuance of bonds.

I would like to present an outline of my insights on the issue of agriculture. It is a sector that has recently been politically perceived as something marginal and less important. I dare say, however, that the coming years will confirm its strategic importance.

The development of the world is extremely accelerated, the food prices have doubled since 2006 and the resources of fossil raw materials are nearing the limit.

There are two aspects that we have to follow. One, which relates to the everyday necessary work, and the other in the form of identification



Bull breeding in Velké Pavlovice

of further visions that will ensure the future of this sector, including the setting of the national policy. **It is also of strategic importance for the future to secure the land resources.**

Number one in both the area of everyday work and the area of shaping the future is the necessity of continuous monitoring the huge inflow of scientific and technical information, which allows us to improve radically the efficiency of production. For a good economic result for the farmers, it is necessary to participate in the entire life cycle of the product from primary production to the processor, up to its delivery to the consumer. Agriculture must be understood from several points of view. They are, in particular:

- Intensification of agricultural production
- Environmental protection
- Support for rural areas and landscape use

Crop production

The essence of crop production is the mastering of plant physiology. It uses only a few percent from the radiant energy from the sun. There is the possibility of using plants or their parts for the decomposition of water into oxygen and hydrogen with a positive energy balance. To make

the above considerations come true it is also necessary to create adequate opportunities. Principal changes would present new forms of farming and free market. For this, however, a social, centralised system, preferably of the world scale would have to be created. At the same time, the society would have to be somehow “pushed” to a state in which there would be society-wide political will.

There will be a very significant, maybe twice or triple increase in food prices. They will represent in the expenditure structure of the world and European populations about 40-(60)% against the current level of about 20% in the EU. Agriculture, ownership of land and space will be very lucrative. Similar views are held also by leading agricultural experts headed by Professor Jan Vašák.

Products of animal production

For the purposes of human nutrition, we will need that the production is ensured in the Czech Republic. In this respect, we must take a series of measures to meet this goal. The steps that are necessary for competitive animal production include support for research in the field of animal genetics, but also new biotechnologies for the healthy

state of the crop production. We also need to promote research in the field of nanotechnology and nanobiotechnology, according to Professor L. Zeman and P. Doležal.

Agro-energy production

There is no doubt that the successful will be those who will be able to produce electricity under the conditions allowing aid under Act No. 180/2005 Coll., on the promotion of electricity from renewable energy sources. The main reason why it is exactly electricity is that the social demand for electricity is sure to continue to grow. This plan can be implemented in the form that is commonly known today as BPS (Biomass Process Solutions). Incineration should be gradually phased out and plants for cogeneration of heat and electricity from solid biomass or only biomass gasification will be most probably introduced. In the near future, support will be also introduced for the production of heat from renewable energy sources, which will apply also to the biomass process solutions, in accordance with Directive 2009/28/EC on the promotion of energy use from renewable sources. As regards biogas,

it is possible to expect also in the CR the introduction of biogas purification technologies to the quality close to natural gas and either its sale to the grid or utilisation in transport.

What are the visions of experts for further development in this area?

1. Agriculture **will be significantly concentrated** and farms with an area of around 20 hectares will be only a welcome addition to this system. These concentrated groupings **will dominate the rural areas**, including local self-governments and will very likely take over a large part of the employment and the social and community services.
2. The system of **domestic food farming and self-supplying subsistence** farms will reappear, albeit to a minor extent.
3. **There will be an increase in the importance of agriculture in the energy sector**, in the field of biogas and the generation of other energy sources from biomass.
4. **The prices of agricultural products will grow** significantly.
5. **The Internet and the system of additional services** from agricultural

producers can suppress further development of supermarkets in the form of deliveries to households.

6. **The importance of agricultural exports will significantly increase**, especially to Asia.
7. The stagnation of animal production will probably continue, but mainly in the field of meat rather than milk.
8. No fundamental **change in the structure of crops** is expected, but a decline in oilseed rape is expected after 2020 in connection with the development of palm oil production in the world. Due to the low demands on water needs, the importance of maize growing is likely to increase.
9. We have to prepare also for the next periods, when the emergence of new **legislative measures** can be expected. **A new EU regulation is being prepared** based on which each product should be provided with the so-called carbon footprint, which is a conversion coefficient of how much CO₂ is produced in its manufacture.
10. One of the biggest problems of agriculture is the increasing **lack of water**.



Water management will be the task for the next period, so that we do not consume the supplies of our grandchildren.

Closed ecological cycle in agriculture

Agricultural co-operatives are engaged in agricultural activities, in particular crop and animal production. Their activities are complemented by a variety of services and products. It has been shown that the combination of crop production with the until recently deprecated animal production is excellently complementing each other, but in order to close flawlessly the activities cycle and to create maximum efficiency there is still one missing link, namely the connection between animal and crop production. Such a link, which perfectly fits into the project of agriculture, are the **biogas plants** to which we can deliver as the input product both the outputs from crop production and some commodities of animal production. Then we can supply back to the soil the waste from the BPS in the form of fertilizers, which will lead to greater efficiency and profitability of crop production. Another advantage of the BPS is the use of waste heat, which represents about 50% of the BPS, e.g. for the heating of office buildings and production halls, grain drying, heating in greenhouses, fish farming, etc.

In addition to maize silage, the BPS will further process livestock manure produced on the farm (manure, slurry, bedding), which will lead to the stabilisation and reduction of odour emissions and NH₃ emissions from their storage.

One of the main factors in the establishment of the BPS is a regular cash flow from the electric power supply, which is much needed by small co-operatives. So far, they were merely dependent on green loan, which

works on the principle that the various **agricultural purchase companies** provide them with fertilizers, seeds and fuel at higher prices and buy from them in advance agricultural commodities at lower prices. Moreover, agricultural co-operatives are already dependent on subsidies from the state or EU sector.

The main strategic priorities for the development of rural areas and agriculture

It is necessary to support all measures leading to the situation that the country will not be becoming depopulated and agriculture will not decline or stagnate, but on the contrary will prosper so as to continue to provide high-quality livelihood to our citizens and ensure adequate food security. The dignity of life in rural areas will be ensured also by restoring and strengthening the transport accessibility of each municipality, so that their inhabitants would not feel excluded from the life in their own homeland.

Where to find the resources

The pathways to prosperity must therefore be sought not only in the traditional agricultural production where there is no money, but primarily there where the money is. For example, the farmer is looking for it in the requirements for subsidies and not perhaps in the construction of a strong and resilient business grouping, which can become an equal partner for globalised companies. Other possible resources are in a clear fiscal policy. From the business point of view, the majority of the resources should remain where they arise, which in the case of agricultural co-operatives means the promotion of employment and social programmes of the members of co-operatives. The biggest sources of funds are in the use of intellectualised services. No other source can bring as much as can be obtained using intellectualised services. A similar point

of view is held by experts Doc. F. Čuba and J. Hurt.

Profit is created in particular where we increase production or reduce costs, or make something better than what we have used up to now. The largest sources of money are therefore in new knowledge and in the use of new information, i.e. in the use of new scientific and technical knowledge.

Agriculture has very hidden resources that the state does not seem to want to release. An example: When purchasing agricultural land it is not possible to use this purchase as a tax expense under Section 24(2)(t) of Act No. 586/1992 Coll., the Income Tax Act. The Act stipulates as follows: "As regards land acquired by investment contribution of a co-operative member who is a natural person and had not the land included in business assets and the contribution was made within 5 years from the date the acquisition of the land, in the case of its sale the cost of the co-operative is the purchase price only up to the amount of the income from its sale." As regards agricultural land, because under the above-mentioned Act, no depreciation is recorded in the accounts, **no possible accounting depreciation is created** which would form cost to reduce the tax liability. As a result, the resources for the acquisition of agricultural land are considerably more expensive. Because in agriculture, plots of land are the main investment instrument, this procedure for determining the costs is discriminatory for all agricultural co-operatives or businesses.

In the current crisis, when unemployment increases and more and more companies are sent into bankruptcy, an interesting idea has emerged. In the given case, when the company goes bankrupt, the bankruptcy administrator sells off the assets in partial portions, mostly below their value, and the creditors suffer



Harvest of grain maize in Velké Pavlovice

failure regarding the potential possibility of repayment of their claim, because after such sale, payment of rewards to the receiver in bankruptcy and similar payments, a very small part remains for the creditors, often even below 10 percent of their submitted original claim. After such intervention of the bankruptcy administrator, there is usually no chance for the company to continue its business and the employees are dismissed. Act No. 182/2006 Coll., the Insolvency Act, in its Section 316 on reorganisation stipulates that reorganisation usually means a gradual satisfaction of the claims of creditors while preserving the business operation of the enterprise based on the reorganisation plan approved by the insolvency court with continuous control of its implementation by the creditors.

An interesting idea for solving such cases is to conduct restructuring guaranteeing a minimum of 30% profitability through the transformation into a co-operative of employees, because the local employees contributed most of all with their work and their money to the development of these enterprises.

Conclusion and outlook

In conclusion, I will use a metaphor: Agriculture on this Earth is inde-

structible if photosynthesis works, but locally in the present situation, Czech agriculture is endangered. The above article shows that it is necessary to focus on the following main points that in the next ten years may lead to the stabilisation of agricultural co-operatives.

The main points of support of agricultural co-operatives

1. In the EU, we must strive to equalise the rights of our farmers and the farmers in the old member states, especially in the field of subsidy policy, which means the same subsidies for all farmers of the EU states.
2. **Insist on maintaining green diesel**, i.e. the reimbursement of excise duty on diesel to farmers. Tractors or combine harvesters ride mostly in the field, so that they do not burden the roads so much as other trucks. **Or else, it is necessary at least to introduce support for the production of fuels in agricultural co-operatives.**
3. Insist on zero **excise duty on still wines for wine growers.**
4. **Make use of reduced VAT rates on listed agricultural commodities and foods.**
5. Try much more than so far to promote

the use of this country's natural resources for **strategic purposes, i.e. not only for the food production use**, but also for enhancing energy security.

6. **Promote loans for the construction of the BPS with a maturity of 10 years.**
7. **Consider the protection of water and soil to be a matter of strategic importance.** It is necessary to stop the appropriation of fertile farmland and speculation in agricultural land.
8. **Support loans for the purchase of agricultural land with a maturity of 30 years.**
9. **When buying agricultural land, make it possible to use this purchase as a tax deductible expense.**
10. Ensure by law the prevention in the supplier-customer relations of the abuse of significant market power by the retail chains and thus the liquidation pressure on domestic suppliers, and in the case of abuse, **ensure additional taxation on dumping purchase prices.**
11. Promote Czech and regional foods also by setting the minimum proportion of **their representation in our sales network** of at least 60%.

CURRENT INFORMATION ON THE ACTIVITIES OF THE CACR CO-OPERATIVES EUROPE – GENERAL ASSEMBLY 2013

Mgr. Jiří Svoboda, DESS – Executive Director of the CACR

The meeting of the General Assembly took place on 6 May 2013 with a standard agenda. It was an assembly that not only elected the new leadership of the organisation, but also changed the statutes and organisational structure of the management bodies. The GA deliberation was opened and managed by the current Co-President Felice Scalvini. It was held in Istanbul and was hosted by NCUT, Turkey's co-operative organisation.

Based on the CACR Board's resolution, the GA meeting was attended by a delegation composed of JUDr. Dvořák and Mgr. Svoboda. The approved delegation was joined also by the President of the CACR Board Ing. Pýcha, who, however, participated in this event as a representative of the European sectoral organisation for agriculture COGECA. JUDr. Dvořák represented the Co-operative Union at the meeting under power of attorney.

The initial ceremony of the GA deliberations was opened by Mr. Muammer Niksarli, President of the Turkey's co-operative umbrella organisation NCUT, who introduced the current Turkish co-operative sector and its role in society. The fact that Turkish co-operative sector is realistically perceived by the current state administration was evidenced by the participation and presentation of a member of the Turkish Government, namely the Minister of Customs and

Trade Mr. Hayati Yazici, who spoke about the promotion of the co-operative sector and positively evaluated its role in the economy of the country.

One of the speakers of the GA opening part was the ICA President Pauline Green, who reminded the great importance of the co-operative form of enterprise representing in the world today 1 billion members. She further dealt with the finished International Year of Co-operatives, which showed the power of co-operative businesses and demonstrated their competitiveness and resilience to crisis phenomena in the economy.

The 2nd Co-President of Coops Europe Mr. Etienne Pfimlin spoke in his presentation about the role and status of the all-European co-operative organisation Co-operatives Europe.

The General Assembly approved in its morning agenda the minutes of the last GA meeting in Brussels in April 2012 and the annual report for the period May 2012 to April 2013. The report was presented by the Coops Europe Director Klaus Niederländer, who presented in his speech the description of the organisation's work and activities, the list of the actions implemented, and information on the share taken by Coops Europe in the documents prepared by the European Commission.

The submitted annual report, including its financial section and financial

audit, was unanimously approved by the present delegates.

Deputy Director Agnes Matis presented information on membership issues according to which there are new members, one organisation from Switzerland and one from Armenia. Slovenia terminated its membership for financial reasons. The information on membership issues was unanimously approved.

A separate item on the GA agenda was the discussion on the draft amendment to the GA statutes. The presentation of the proposed changes was delivered by Director N. Klaus, who pointed out that the amendment proposals were not only widely discussed in the Coops Europe management bodies but also consulted with all the organisation members. The submitted proposal is the result of these extensive consultations. As regards the voting procedures, the delegates have agreed that they will vote on all the proposed amendments en bloc. The proposal for the new wording

Czech delegates at the General Assembly



of the Coops Europe statutes was unanimously approved.

The proposed amendment to the statutes has dealt also with the position of the organisation's president. The institute of two co-presidents was replaced by the office of one organisation president. The last point at the morning's agenda of the General Assembly was the election of the President of the organisation and the subsequent election of the new Board.

Two nominations were presented for the President of the organisation. One candidate was the representative of the Italian Confcooperative and the current Co-President Felice Scalvini and the other nomination was submitted by the German DGRV and regarded the person of the Coops Europe Board member Dirk Johann Lehnhoff. The German candidate Dirk Lehnhoff was elected in a secret ballot to head the organisation.

In the subsequent election to the Board, all the 13 presented candidates from 13 countries, representatives of the national umbrella organisations, were elected based on the agreement on the en bloc election. On behalf of the CACR, JUDr. Rostislav Dvořák, Vice-President of the CACR Board and President of the UCMPC was re-elected to the Coops Europe Board. Some of the candidates (including JUDr. Dvořák) took the opportunity and delivered a brief presentation of their candidacy. The Coops Europe Board received also the candidacy of four European sectoral organisations (CECOP, CECODHAS, EUROCOOP and EACB). Their representatives were unanimously elected to the Board as well.

The afternoon agenda of the General Assembly was devoted to the issues relating to the Coops Europe's future activities and the programme for 2013. The activities of the year 2013 can be divided into six areas:

- Internal issues (personnel, finances, administration, etc.)
- Management structures (presidency, board of directors, EUCC, EACC)
- Promotion and lobbying (legislation, taxes and finances, general policies)
- Communication (with members, EU institutions, the public)
- Programme scheduling and mutual co-operation (further development of the co-operative sector, sustainability)
- Membership issues (existing members, new members)

A separate sphere of issues included the budget for the year 2013, the analysis of revenues and expenditure forecasts, and the possibilities of Coops Europe's involvement in the European projects.

The afternoon agenda included a broad general discussion on the overall Coops Europe activities, in particular the activities planned for the year 2013. The deliberation of the General Assembly was concluded by the final speech of the representative of the host co-operative organisation, who invited the participants to an evening boat trip around the Bosphorus.

The accompanying programme of the General Assembly was organised by the Coops Europe on 7 May and it comprised three separate events, namely two workshops and a round table.

The first workshop was devoted to the issue of **"The EU Support for Co-operatives,"** the second workshop's theme was **"The Co-operative Development in South-East Europe"** and the third was a roundtable discussion. All these events took place in parallel and it was at the discretion of the GA attendants in which of them they would participate. The Czech participants signed up for the first workshop dedicated to the support for the development of co-operatives and the possibilities of lobbying for their development.

In conclusion of the workshop on the EU's support for the co-operatives, there was a joint presentation of the Co-President Etienne Pfmilin, supplemented by Deputy Director Agnes Mathes, who summarised what was said during the workshop:

- All the presentations confirmed the importance of lobbying and the need for its coordination;
- A whole series of specific suggestions for the work of the Coops Europe were presented, which need to be seriously considered;
- The need for a better knowledge of each other between the members has been confirmed;
- Communication must be mutual, i.e. not just from the Coops Europe to member organisations, but also vice versa (e.g. by responding to the questionnaires and surveys sent);
- Highlighting the issue of various expert studies (the question of finding appropriate experts);
- Solving the problems raised – it is a question of mutual co-operation, which is in fact the essence of co-operatives.

The 2013 General Assembly should be evaluated as very important. It concluded one stage of the life of the organisation started in 2006 in Manchester, where Co-operatives Europe officially came to life. The 2013 General Assembly started a new stage, a stage that brings changes in the organisational structure as well as changes of the personnel. We believe these are positive changes that will be reflected in the life and activities of this major European co-operative structure. The organisation, content and logistics of the 2013 General Assembly were without problems and at a high level. Thanks belong to not only the team of Coops Europe workers, but of course also to the co-organising Turkish co-operative organisation.

SEMINAR ON THE 20TH ANNIVERSARY OF THE ESTABLISHMENT OF THE CACR

Mgr. Jiří Svoboda, DESS – Executive Director of the CACR

The February of 1993 was one of the key months in the history of the headquarters of the Czech or Czechoslovak co-operative movement. In connection with the division of Czechoslovakia into two independent states – the Czech Republic and the Slovak Republic – the until then federal umbrella co-operative structure (the Co-operative Union of the CSFR, established in 1990) was divided into two separate national entities, the Co-operative Association of the Czech Republic and the Co-operative Union of the Slovak Republic. This process included also the division of the so far joint property of the then peak co-operative organisation.

The first general assembly instituting the new Czech co-operative organisation was held on 24 February 1993, which is therefore the date of the establishment of the Co-operative Association of the Czech Republic (CACR), whose activities resume the dissolved Co-operative Union of the CSFR. The inception of this new organisation took place in the presence of three co-operative sectoral unions, namely the Union of Housing Co-operatives, the Union of Consumer Co-operatives, and the Union of Production Co-operatives, whose then presidents signed the protocol establishing the CACR.

Twenty years of existence is an important date not only in the history of a human being, but also in the history of an enterprise, business or organisation. It is one of the reasons why the management of the CACR could not

ignore this anniversary and organised a seminar, which was a reminder of this – from the viewpoint of the Czech co-operative movement – historic fact. The seminar was not only a reminder of the establishment of the CACR and a presentation of the present situation of all the co-operative sectors, but also a retrospective glance at the recently finished International Year of Co-operatives 2012.

Also the venue of the seminar, i.e. the conference hall in the Chamber of Deputies, undoubtedly contributed to the prestige of this event. The fact that the patronage over a co-operative event was assumed by a high official of the legislative body has long been an unseen fact and it is perceived by the representatives of the co-operative movement as a little spark of the nascent interest of the political representation



**DRUŽSTEVNÍ ASOCIACE
ČESKÉ REPUBLIKY**



Masarykova demokratická akademie
Národohospodářská sekce



Društvo FONTES RERUM

Pořádají a srdečně zvou na Seminář

k 20. výročí vzniku DA ČR a Mezinárodnímu roku družstev 2012

Seminář konaný pod záštitou místopředsedy PS PČR PhDr. Lubomíra Zaorálka se uskuteční dne 6. března 2013 od 14 hod. v Poslanecké sněmovně Parlamentu ČR, Sněmovni 1, sál č. 205.

Program semináře moderuje Ing. Zdeněk Juračka, předseda představenstva DA ČR.

Účast potvrďte do 28. 2. 2013 na bozena.pochova@centrum.cz

Prezence
13:30–14:00

Privítání účastníků a úvodní slovo
předsedavitele PS PČR
14:00–14:15 PhDr. Lubomír Zaorálek,
místopředseda PS PČR a předseda
představenstva MDA

Informace o organizaci semináře
14:15–14:25 Ing. František Jonáš, CSc.,
Masarykova demokratická akademie

**Družstevní Asociace ČR,
střeškový orgán českého družstevnictví**
14:25–14:40 Ing. Zdeněk Juračka,
předseda představenstva

Družstva a svět
14:40–14:55 Doc. Ing. Ilona Svihlíková, Ph.D.

Zemědělský svaz ČR a COPA COGECA
14:55–15:10 Ing. Martin Pýcha,
předseda ZS ČR

**Svaz českých a moravských výrobních
družstev 60. výročí založení svazu**
15:10–15:25 JUDr. Rostislav Dvořák,
předseda SCMVD

Svaz českých a moravských bytových družstev
15:25–15:40 Ing. Vít Vaníček, předseda SCMBD

Mezinárodní rok družstev 2012
15:40–15:55 Mgr. Jiří Svoboda, DESS,
výkonný ředitel DA ČR

Senát Parlamentu ČR
15:55–16:10 PaedDr. Alena Gajdůšková,
1. místopředsedkyně Senátu

**Družstva v České republice:
Co uděláme pro ně a co družstva pro nás?**
16:10–16:25 Ing. Jan Mládek, CSc.,
předseda družstva FONTES RERUM

Závěr
Tisková konference + závěrečný raut

Invitation

The seminar was organised by the **Co-operative Association of the CR**, in cooperation with the **National Economy Section of the Masaryk Democratic Academy** and the **FONTES RERUM Co-operative**. It is considered by the organisers a very important fact that the patronage over the seminar was assumed by the Vice-Chairman of the Chamber of Deputies of the Czech Parliament PhDr. Lubomír Zaorálek.

in the co-operative form of enterprise. Unfortunately, it was necessary at the very beginning to excuse the absence of the 1st Vice-Chairperson of the Senate of the Czech Parliament, Senator PaedDr. Alena Gajdůšková, who due to a sudden illness could not attend the seminar and present her paper.

In the opening speech, the Vice-Chairman of the Chamber of Deputies



Presidents of the CACR's sectoral member unions in the seminar

PhDr. Zaorálek welcomed the present participants – the representatives of various co-operative sectors as well as the representatives of non-co-operative organisations and institutions – and confirmed his support for the co-operative system in our country and, at the same time, expressed his opinion on the need for its promotion by both the legislative and executive structures. He advocated the necessity of creating appropriate legislative environment that would promote the development of the co-operative system in this country in all its forms. As regards the participation in the seminar, it was a (pleasant) surprise even for the organisers. The number of those interested was around 170. They completely filled the conference hall and most of the seats in the gallery. There was, however, very weak interest on the part of the representatives of the media who, though invited, failed to appear so that there was nobody in fact with whom the planned final press conference could have been carried out. As a result, the information on the seminar was presented only by the Haló noviny papers on 7 March. The event was advertised on 6 March in the DEVÍTKA bulletin, which is

an electronic information newsletter, whose provider is eStat.cz. The sending of invitations to all the political groups of the parliamentary parties did not receive the expected response either. Regretfully, except for MPs M. Opálka and J. Babor, we did not notice the presence of any other legislators.

The programme of the seminar included speeches of the representatives of both the co-operative sector and the co-organisers' organisations. The whole session of the seminar was hosted by the President of the CACR Board Ing. Zdeněk Juračka, who informed the present participants on the brief history of the co-operative headquarters whose first representative was the **Union of Czech Economic Societies in the Kingdom of Bohemia, founded in 1896 in Prague**. In his speech, he further presented the current structure of the CACR and characterised its activity as the representative of the Czech co-operatives in relation to the national legislative and executive authorities, as well as in relation to the international co-operative and non-co-operative organisations.

The Presidents of all the CACR's sectoral member unions used this opportunity to present, inter alia, the current state of the twinned sectors under their control. I consider it appropriate to mention that a paper on behalf of the Union of Czech and Moravian Housing Co-operatives was delivered by Ing. Vít Vaníček, the activities of the Union of Czech and Moravian Production Co-operatives were presented by its President JUDr. Rostislav Dvořák, who reminded, inter alia, this year's 60th anniversary of his Union's establishment, and the participants' attention was also attracted by the speech of Ing. Pýcha, President of the Agricultural Association of the CR, who spoke, inter alia, about the twenty-year-long descending curve of the Czech agriculture. The issues of the consumer co-operative sector were mentioned on an ongoing basis in his hosting inputs by Ing. Zdeněk Juračka, President of the Union of Czech and Moravian Consumer Co-operatives.

The seminar programme was contributed on behalf of the CACR by the paper of Mgr. Jiří Svoboda, the CACR's Executive Director, who dealt with the issue of the International Year of Co-operatives.

He briefly summarised the global and European activities of the year and reminded its goals and plans to make good use of the year's results in the next period (the Co-operative Decade).

The co-operative sectors of the CR include the credit unions and savings banks. Although their sectoral organisation, the Association of Credit Unions (ACU), is not a member of the CACR, the provision of objective information about the entire Czech co-operative sector included also the presentation of Jaroslav Šulc, member of the ACU Presidium. One of the main problems is finding a way to restore the people's confidence in the co-operative banking sector after 70% of the savings deposited in credit unions was stolen in the 1990s.

The well-known economist Ing. Ilona Švihlíková presented a summary of the co-operative activities in the world and highlighted the role and results of the co-operatives and co-operative enterprises in the economies of the countries around the world. She

evaluated the co-operative issues not only from the perspective of an economist, but also from the perspective of a representative of one of the civil initiatives that have a positive attitude to the co-operative system.

A presentation of the Masaryk Democratic Academy, its interest in the co-operative issues and the events of this educational structure relating to the International Year of Co-operatives was given by Ing. František Jonáš. He also informed about the new activities developed by Ing. F. Čuba and his plans for the establishment of a new multi-functional co-operative.

The final paper in the programme was presented by the chairman of the FONTES RERUM co-operative Ing. Jan Mládek, who spoke about what is necessary to do for the co-operatives and vice versa, what the co-operatives can do for us. Ing. Mládek was speaking not only from the position of a co-operative chairman, but also as one of the major actors of the political representation.

The scheduled presentations were followed by a discussion of the attending participants in the seminar, during which also the present MP M. Opálka made a speech. He mostly spoke about the importance of the co-operatives, their beneficial contribution and the need to find ways to promote their further development. The attendants also heard speeches of some of the living witnesses to the establishment of the Co-operative Association.

The final item on the agenda of this "co-operative" programme in the premises of the Chamber of Deputies was the refreshments served in the conference hall foyer. In this context, it is necessary to thank the COOP Centrum co-operative enterprise (among others, it is also one of those who celebrate the 20th anniversary of its establishment this year) and its CEO Josef Holub for co-operation and positive approach to the provision of this part of the programme. The same thanks for the same belong to the Chairman of the FONTES RERUM co-operative.

THE 20TH ANNIVERSARY OF THE ESTABLISHMENT OF THE CUSR

Mgr. Jiří Svoboda, DESS – Executive Director of the CACR

Just as the Co-operative Association of the Czech Republic celebrates this year the 20th anniversary of its foundation, the same anniversary is celebrated also by our Slovak partner organisation, the Co-operative Union of the Slovak Republic (CUSR). The reason is obvious since both organisations are the "product" of the break-up of Czechoslovakia in 1993.

The concept of the celebrations on the part of the CUSR had a different character than in the CR. While the CACR

gave the celebrations the character of a workshop organised in the Chamber of Deputies of the Czech Parliament (see the separate article), the CUSR connected these celebrations with the traditional appreciation of the best co-operative collectives and individuals in the form of granting the awards of Samuel Jurkovič, father of the Slovak co-operative movement. The gala evening connected with the presentation of the awards and subsequent theatre performance, took place in the Radošina Naive Theatre.

At the invitation of the CUSR leadership, the event was attended also by the CACR delegation headed by the Vice-President of the Board Ing. Zdeněk Juračka, and including the CACR Board members Jaroslav Procházka and Zdeněk Houška and the CACR Executive Director Mgr. Jiří Svoboda.

Among the guests was the delegation of the Polish National Co-operative Council headed by its Vice-President Stanisław Sledziewski and including the Director of

the Co-operative Research Institute Adam Piechowski. A guest of honour of the gala evening was Mr. Štefan Adam, State Secretary of the Ministry of Agriculture and Rural Development of the SR.

In the opening speech, whose content was very interesting and which was delivered with artistic emotionality and sensitivity, the current President of the CUSR Board Ing. Iveta Chmelová mentioned not only the long history of the Slovak co-operative movement (the first Slovak co-operative, the Farmer's Guild, was founded in 1845), but also the complicated developments of its history up to the present time, including the reference to the role and status of the Slovak co-operative sector in Slovak society.

In the subsequent ceremony, Samuel Jurkovič awards were presented to four co-operative collectives or individuals from each co-operative sector. The award was always presented by the President

of the relevant sectoral union with the assistance of the CUSR Board President Ing. Iveta Chmelová.

The greetings and congratulations on the 20th anniversary were presented on behalf of the CACR by the Vice-President of the Board Ing. Juračka, who emphasised the traditional long-standing friendly and partnership relations between the two umbrella co-operative organisations, and although our views are or were not always mutually agreeing or identical on all the questions, we have always managed to find together an adequate solution. The presentation on behalf of the Polish co-operative sector was made by the Vice-President of the Board of the Regional Co-operative Council, who gave Ing. Chmelová in-kind gifts recognising her contribution to the development of the co-operative movement.

The gala evening culminated with an interesting and funny theatre performance, followed by the final



Ing. Iveta Chmelová, President of the Board of the CUSR

banquet, which created space for informal talks with the present Slovak co-operative members and other representatives of the Slovak co-operative sector.

In conclusion, we just have to thank our Slovak colleagues for the invitation and for spending a pleasant evening among friends in a pleasant environment.

CO-OPERATIVE DAY 2013

It has become a tradition that the Co-operative Association of the CR organises in the context of the accompanying programme of the Bread Basket exhibition the so-called Co-operative Day. The Co-operative Day 2013 will take place within the scope of this year's 40th anniversary of the Bread Basket exhibition.

The exhibition proper will be held at the Exhibition Centre in České Budějovice from 29 August to 3 September 2013 and its topic is "The Future of Czech Agriculture and the Czech Countryside." The topic of the exhibition complies with the contents of this year's Co-operative Day, whose content is guaranteed by the Agricultural Association of the CR (AACR), a member organisation of the CACR.

The Co-operative Day 2013 whose organisation is ensured by the CACR will take place on 30 August 2013 from 10.00 am to 12.30 pm on the first floor of Pavilion Z, room No. 10. The Co-operative Day's framework theme is "The Prospects of the Co-operative Form of Enterprise," and the content focus proper will be devoted to one of the forms of co-operative enterprise, namely the role of sales co-operatives engaged in the commodity of milk in relation to the abolition of milk quotas.

The issue of sales co-operatives with respect to the commodity of milk will be discussed by the AACR representatives, namely its President Ing. M. Pýcha and the Vice-Presidents Ing. J. Švec and Z. Houška. It will be possible to make a comparison with the situation in the sales co-operative sector in the Slovak Republic based on the presentation of Ing. M. Mišáňnik,

President of the Union of Agricultural Co-operatives and Commercial Companies of the SR. The seminar programme should include a presentation of a representative of the processors and possibly of a representative of the Czech Food Chamber. The speeches of the invited speakers will then be followed by a discussion in which the seminar participants will have the opportunity to express their views and opinions, as well as to exchange experience from practical life.

Those interested in co-operative issues and especially those who are actively engaged in the sector of agricultural co-operative enterprise (in particular those operating in the milk commodity), are cordially invited to participate in the organised seminar and possibly in the Bread Basket exhibition.

20 YEARS OF THE CACR

Mgr. Vladimíra Vávrová – CACR

In the year when the tradition of the Czech co-operative movement reached the round 165th anniversary of the establishment of the first co-operative, we commemorate an anniversary that is significantly younger, but highly important for the development of the co-operative sector in the Czech Republic, namely the 20th anniversary of the establishment of the Co-operative Association of the Czech Republic, the umbrella institution of the Czech and Moravian co-operatives.

It will certainly be interesting to recall on this occasion the development of the co-operative headquarters, central and main offices in the territory of the present Czech Republic.

The Union of Czech Economic Societies in the Kingdom of Bohemia, founded at the end of the 19th century in 1896 in Prague is considered to be the first co-operative headquarters in our territory. It was followed at the turn of the 19th and 20th century by only a few headquarters, such as the Central Union of the Czech-Slavonic Consumer, Production and Economic Co-operatives in Prague in 1908. The need to create one's own sectoral headquarters became apparent only after the year 1918 and was related to the huge increase in the number of co-operatives.

It should be noted, however, that although the co-operative system in our territory in the period between the 1st and 2nd World Wars created a huge industry, it was unfortunately very fragmented not only by its focus and activities, but also by religion and nationality and last but not least also politically. As at 1 January 1938, there were 83 co-operative unions and headquarters in the territory of

the former Czechoslovak state, of which 72 operated in the territory of Bohemia, Moravia and Silesia.

The first and very aggressive and involuntary unification of the co-operatives and their headquarters was forcibly made after the outbreak of the 2nd World War and the establishment of the Protectorate of Bohemia and Moravia, which was completed by Decree No. 242/1942, based on which all the previous co-operative headquarters were cancelled and the entire co-operative sector was subsequently organised into the newly created four sectoral co-operative unions, which situation lasted until the end of the 2nd World War.

Immediately after the liberation of the republic, the co-operative headquarters called the **Central Council of Co-operatives** was founded in May 1945. The co-operative leaders were led to its establishment by the experience of the preceding decades suggesting that fragmentation is detrimental to the development of co-operatives and their prosperity. The inception of the Central Council of Co-operatives took place in the presence of all the three then Socialist parties – the Communists, the Social Democrats, and the National Socialists.

The first meeting of the Central Council of Co-operatives, which took place on 17 May 1945, was attended by the representatives of all the existing unions, i. e. the Union of Consumer Co-operatives, the Union of Agricultural Co-operatives, the General Union (umbrella organisation of the production, labour and trade co-operatives) and the Union of Housing Companies. All co-operative



Central Council of Co-operatives Act

organisations should have continued to be built as organisations independent of the political parties, with voluntary membership and democratically elected leadership. A special committee drew up a draft law on the Central Council of Co-operatives, which was passed to the Minister of Labour and Social Welfare already in August 1945. However, the Act was approved not until 25 July 1948, when it was signed by president Klement Gottwald. According to Act No. 187/1948 of 1 August 1948, the Central Council of Co-operatives became the representative of the unified co-operative sector, but already as an entirely different institution than that under the original concept of co-operative organisation of 1945. The co-operative sector was incorporated into the centrally controlled system of national economy and was under the full control of the ruling party, which determined the mission of the co-operative movement according to its ideas and restricted its activities

over a long period of 40 years. Under this Act, the Central Council of Co-operatives became the apex organisation of the unified co-operative sector concentrating and organising all co-operatives in the territory of the republic, whose membership in the Council was mandatory.

The last, 11th Congress of the Central Council of Co-operatives held on 12-13 October 1990 responded to the changes in society after the November 1989 revolution. By adopting new Statutes, this Congress was at the same time also the 1st General Assembly of the **Co-operative Union of the Czechoslovak Federal Republic (CSFR)**.

The Co-operative Union of the CSFR, as a successor organisation, brought together through national sectoral co-operative associations on a voluntary basis the entire co-operative sector in the former CSFR until the end of 1992, i.e. until the dissolution of the CSFR into two separate states. Its operation was smoothly resumed by the Co-operative Association of the Czech Republic (CACR), which was established on the 1st foundation general assembly on 24 February 1993 in the presence of the Presidents of the three sectoral associations: the Czech and Moravian Union of Housing Co-operatives, the Czech and Moravian Union of Consumer Co-operatives and the Czech and Moravian Union of Production Co-operatives. Then in 1997, the CACR, as an interest association of the three founding unions, was joined by the Agricultural Association of the Czech Republic.

The Co-operative Association of the CR is the umbrella institution of

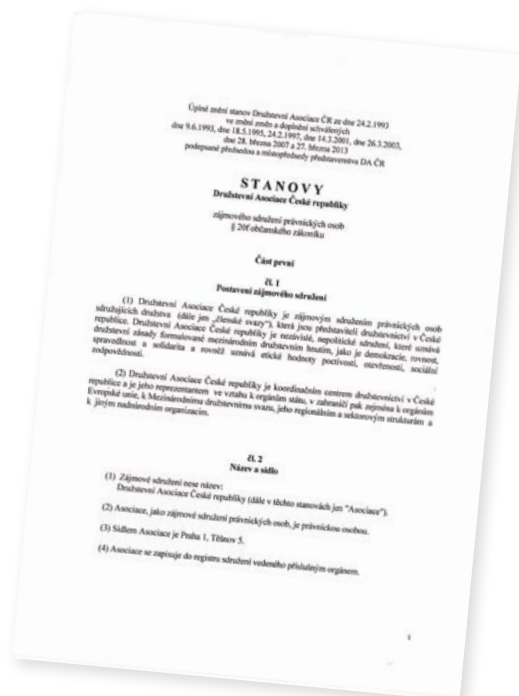
the Czech co-operative movement and as the coordinating centre of the Czech and Moravian co-operative sector represents the interests of co-operatives towards the state legislative and executive authorities and in the public. It is the official place for comments in the Czech legislative procedure. In relation to its member organisations, it provides consulting services and legislative initiatives and coordinates the course of action in matters of common interest to protect, promote and apply the interests of the co-operatives and their members. The CACR has traditionally been a longtime member of the International Co-operative Association and of the principal European co-operative organisation Co-operatives Europe. The representatives of the co-operative movement of the Czech Republic are members of international co-operative bodies and organisations in which they occupy an important position. In its activities, the CACR builds on the one hundred and sixty-five year long history and the traditions of co-operative values and principles with the aim of contributing to the improvement of the economic and social conditions of the life of society.

The CACR is headed by the Board, which is its executive and statutory body. The Board discusses and decides on matters specified by the Statutes and performs tasks in accordance with the Statutes and the resolutions of the General Assembly. The President of the Board is elected always for one year from the Presidents of the member unions.

The activities of the CACR are provided by the working apparatus headed by

experts from the areas of economy, law, and international relations. Important issues are discussed in committees composed of selected experts from the various member unions and external workers.

A seminar dedicated to the 20th anniversary of the CACR was held under the auspices of the Vice-Chairman of the Chamber of Deputies of the Czech Parliament Mgr. Lubomír Zaorálek in the premises of the Chamber of Deputies on 6 March 2013. The prepared round table discussion about the co-operative legislation, which under the auspices of the 1st Vice-Chairperson of the Senate of the Czech Parliament PaedDr. Alena Gajdůšková should have taken place in the Senate on 4 June 2013, was cancelled due to the critical flood situation in Prague and the new date will be agreed later.





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