

Producer Commodity Organizations Providing Industry Collective Goods

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ABSTRACT

Shortly before the New Year, each EU member state presented their ambitious Common Agricultural Policy Strategic Plans (CAPSPs). In their CAPSP each country present their commitments for the next 2023-2027 CAP and the EU Farm to Fork (F2F) strategy. Each one of the 27 countries, should by 2030 produce food and fiber using 50% less pesticides and antibiotics, 20% less chemical fertilizers and increase organic farming to 25%. It should at the same time produce public goods: reduce greenhouse gas emissions, improve the environment and increase biodiversity, ensuring sustainable income for all farmers and satisfactory social conditions for all agricultural workers (EC, 2021). Most importantly, EU agriculture overall has pledged to be carbon neutral by 2050. These targets must be achieved by all 27 countries that claim every year the 56 billion euros of the CAP budget. Similar – if not so ambitious and not as generously funded - pledges have been placed by most agricultural systems around the globe (IPCC, 2021). To what extent is EU and global agriculture and agri-food systems capable of achieving the objectives of the new planetary requirements? Is current governance of agrifood systems in place to provide the triple requirement of sufficient food, sufficient farm income and adapt and mitigate to climate change? Most importantly, can all these be achieved without farmers' being an integral part of the agri-food system governance?

Agriculture is expected to provide public goods, whereas at the same time needs to use and produce *industry collective goods (ICGs)* (Gray et al., 2012). "[ICGs are] non-excludable goods of specific interest to the producers and consumers of the farm commodities concerned" (Alston & Gray, 2013, p. 31). The organisation and incentive alliance of the production of ICGs is the subject of this paper.

We present a theoretical framework of consumer commodity organisations for the provision of industry collective goods. We exemplify with specific cases from Australia and Canada where successful producer commodity organizations engaged into public- private- producer-partnerships (4P). We discuss the potential of using such organisations and partnerships within the European economic and institutional framework.

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