

Development Status and Countermeasures of Farmers' Professional Cooperatives in Shangqiu City

Xiaofan XIAO *

Central South University of Forestry and Technology, Changsha 410004, China

Abstract Farmers' professional cooperatives develop in various forms, and with the continuous improvement of development level, social effects have gradually appear. Based on the specific situation of farmers' professional cooperatives in Shangqiu City, this paper expounded the development status of farmers' professional cooperatives in Shangqiu City, analyzed and discussed various problems encountered in the development process of farmers' professional cooperatives, and put forward some countermeasures and suggestions, such as establishing and perfecting cooperative rules and regulations, financing from multiple channels, introducing technical talents in various ways, breaking the information asymmetry restriction by various means, and giving full play to government functions, aiming to further promote standardized, large-scale, healthy and sustainable development of farmers' professional cooperatives.

Key words Farmers' professional cooperatives; Shangqiu city; Development status; Existing problems; Countermeasure analysis

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Developing new agricultural business entities such as family farms and farmers' cooperatives and cultivating high-quality farmers are effective ways to effectively promote the organic connection between small farmers and modern agriculture, improving rural development, and increase agricultural efficiency and farmers' income^[1]. Since the promulgation and implementation of *Law of the People's Republic of China on Specialized Farmers Cooperatives*, the cause of farmers' cooperatives in Shangqiu has entered the fast lane of development. Especially in recent years, Shangqiu City has deeply implemented the important instructions of General Secretary Xi Jinping: "highlight the development of two types of agricultural management entities, namely farmers' cooperatives and family farms". It has taken the cultivation and development of farmers' cooperatives as an important carrier for the development of agriculture and rural economy, firmly grasped the development opportunities, and taken multiple measures to promote the high-quality development of farmer cooperatives, achieving significant results.

At present, farmers' cooperatives have become a modern agricultural management organization that leads farmers in the city to participate in domestic and international market competition. They have played an active role in promoting farmers' sustained income increase, helping high-quality development of agriculture and rural areas and ensuring national food security, and injected a strong impetus into promoting rural revitalization.

Development Status of Farmers' Cooperatives

The scale and quantity grow rapidly

Shangqiu actively encourages migrant workers, college graduates, retired military personnel, and scientific and technological

personnel to return to the countryside to set up and lead farmers' cooperatives, and the city's farmer cooperatives are flourishing. By the end of August this year, there were 14 617 registered farmers' cooperatives in the city. Since the registration of farmers' cooperatives began in 2007, the number of farmers' cooperatives has increased by 850 annually.

The service capacity has been gradually enhanced

According to preliminary statistics, in 2022, the total value of purchased and sold service products provided by farmers' cooperatives for members reached 6.991 billion yuan, in which the total value of unified sales of agricultural products was 5.066 billion yuan, and the average total value of agricultural products sold by each cooperative for members was 385 000 yuan. The total value of unified purchase of production inputs reached 1.925 billion yuan, and the average total value of unified purchase of production inputs for members of each cooperative was 146 000 yuan.

The level of operating income has steadily increased

According to preliminary statistics, in 2022, the operating income of farmers' cooperatives in the city was 2.123 billion yuan, with an average of 165 000 yuan per cooperative. In that year, the distributable surplus was 674 million yuan, with an average of 51 000 yuan per cooperative.

The business scope continue to develop

Farmers' cooperatives in the city are extending from the traditional planting and breeding industry to new industries such as agricultural product processing and service industry, showing a multi-level, multi-component and multi-field development trend, involving grain planting, livestock and poultry breeding, fruits and vegetables, production services, product processing and sales and other aspects. At present, there are 880 farmers' cooperatives in the city, which mainly provide agricultural machinery and plant protection services. Among them, 175 have established processing entities, 656 have developed rural e-commerce, and 86 have developed leisure agriculture and rural tourism.

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Xiaofan XIAO (1999 –), female, P. R. China, master degree candidate, devoted to research about agricultural economics and policy.

* Corresponding author.

Problems Existing in Farmers' Cooperatives

Nonstandard management

At present, some professional cooperatives have some problems, such as nonstandard financial management, imperfect operation mechanism, imperfect articles of association and organizational system, unreasonable benefit distribution system, and arbitrary and opaque internal operation management. They have not really formed a standardized management model of "running by the people, managing by the people and benefiting the people"^[2].

Lack of funds for cooperatives

Since most cooperatives are small-scale agricultural cooperatives, it is difficult for cooperatives to obtain loans from banks because of their small self-owned assets and limited accumulation and lack of collateral to guarantee. Although some cooperatives can get some financial support funds, the benefits are very limited^[3]. Medium- and large-scale cooperatives can't continue to grow and develop without financial support. Once there is a lack of funds, the procurement of production materials, technical research and other important aspects related to the development of farmers' professional cooperatives will be greatly limited, resulting in the slow development of cooperatives and insufficient stamina. The bottleneck of lack of funds has seriously restricted the development of farmers' professional cooperatives in Shangqiu City towards a broader space.

Lack of professional and technical personnel

Although the leaders and daily managers of farmers' professional cooperatives have certain production knowledge and practical experience, most of them are not professional managers, so they lack professional theoretical knowledge and modern management techniques in the process of promoting agricultural modernization, and tend to follow the past management experience. In this way, relying solely on the accumulated experience from the past, not only will new problems not be properly solved, but also the daily events from small ones such as purchasing, finance and leading farmers, to large ones, such as democratic management and decision-making related to the fate of the organization in cooperatives cannot be handled sufficiently^[4].

The lack of professional managers is not conducive to the innovation and development of cooperatives, while the lack of talents in agricultural production will increase the production risk of agricultural products, which will greatly affect the quality and output of agricultural products. Although Shangqiu City has improved its treatment in the talent introduction policy in recent years, there is still a certain gap in the treatment level compared with other cities. In addition, the working environment of most cooperatives is not ideal, and high-quality talents are unwilling to go deep into the fields. Consequently, it cannot attract too many talents to flow in, and the situation of talent loss is becoming increasingly serious.

Market information is not smooth enough

Under the condition of market economy, whether the market information is unobstructed directly affects the sales of agricultural

products and farmers' income. Because the rural market system is not perfect enough, the rural information network is not developed enough, the technology and information service means are also relatively backward, the supply and demand information channels are relatively single, the reception of market information is slow, and the information content is not complete and accurate enough, most farmers can only get information through reading tabloids, listening to broadcasts and watching notices from relevant departments, and from intermediary organizations and mutual communication, and can't grasp market information timely, accurately and fully. Therefore, it is impossible to make a reasonable plan according to market changes in time, and adjustment can only be made on the basis of experience and feeling.

Due to the imbalance between the demand and supply of agricultural product caused by the blindness in production and circulation of agricultural products, the production and pricing of agricultural products deviate from expectations, and there are great uncertainties and risks in agricultural production, which leads to the phenomenon of overcapacity of agricultural products, which makes it difficult to guarantee the economic income of members of farmers' professional cooperatives.

The masses are conservative, and their sense of participation needs to be strengthened

Influenced by the long-term traditional management concept, most farmers are still only good at single-family labor production, and they don't have a deep understanding of cooperatives. They think that joining cooperatives is "partnership management" and they are worried about losing their autonomy in production and operation. Some farmers have a serious idea of small farmers, and pay more attention to short-term economic benefits, but little attention to long-term economic benefits or sustainable development. If cooperatives are small in scale, weak in economic strength and limited in driving ability, farmers will not see benefits in a short term, and their enthusiasm for participating in cooperative operations will be affected, which will further restrict the development of cooperatives. Some farmers join cooperatives and have a positive attitude in sharing benefits, but if there are natural disasters or other damaging factors, they will have the idea of escaping, and the consciousness of "sharing risks" has not really formed.

Countermeasures and Suggestions for Farmers' Cooperatives

Establishing and perfecting cooperative rules and regulations

First, it is necessary to have complete articles of association, abide by *Regulations on the Registration and Management of Farmers' Professional Cooperative* and the *Law on Farmers' Professional Cooperatives*, formulate the articles of association of cooperatives in full combination with their own actual conditions, and establish and improve a set of practical systems such as post responsibilities, acquisition marketing, production management, file management, financial accounting, democratic management and supervision of cooperatives. Second, it is necessary to have a good

operating mechanism, establish and improve cooperative members' (representatives') assembly, the board of directors and the board of supervisors in the way of "directors taking the lead, representatives acting as go-between and hierarchical management", and conscientiously perform them according to the articles of association and their respective responsibilities, and strengthen democratic decision-making, management and supervision. Major issues should be decided by the cooperative members' (representatives') assembly through discussion, and the principle of "one person, one vote" should be implemented in decision-making, regardless of the amount of contributions made by members. Third, the members' congress should be held, and the board of supervisors and the board of directors should report to the members' congress on business operation, organizational development, financial revenue and expenditure, supervision and auditing, and surplus distribution. Meanwhile, there should be a strict financial management system, and a set of financial accounts should be set up according to the *Financial Accounting System of Farmers' Professional Cooperatives*, and the accounts should be standardized.

Financing from multiple channels

It is necessary to broaden the financing channels of funds and improve the efficiency of cooperative funds. Shangqiu City should promote the cooperation between financial institutions and cooperatives through various channels and broaden the financing channels of cooperatives.

In terms of cooperative finance, farmers' professional cooperatives sign cooperation agreements with cooperative banks, and banks provide financial services to the cooperatives and business guidance, risk early warning and other services as credit mutual assistance business for cooperatives, which not only avoids illegal fund-raising by using cooperatives, but also enables the cooperatives to receive professional guidance from banks. We should encourage banks to formulate supporting policies and financial products to support the development of cooperatives, lower loan thresholds, and open up "green channels" to support the development of cooperatives, so as to effectively solve the seasonal and temporary funding needs of cooperatives, promote the standardized development of promising and potential cooperatives and demonstration cooperatives, and enhance the level of modern production and services. The government can give more preferential treatment to farmers' professional cooperatives, especially for small-scale cooperatives with low degree of organization, and pay more attention and targeted subsidies to help them grow. For example, the Agriculture and Rural Bureau, Water Resources Bureau and Tax Bureau of the City can jointly implement supporting preferential policies for cooperatives to reduce the financial burden of cooperatives through low-priced water and electricity, tax reduction or exemption, and other means. In addition, it is necessary to guide insurance institutions to innovate insurance products and services suitable for the production and operation characteristics of farmers' professional cooperatives, and enhance the risk resistance of farmers' professional cooperatives^[6].

Introducing technical talents in many ways

In view of the shortage of talents in Shangqiu farmers' professional cooperatives, we should start from many aspects, such as re-injecting and training the personnel in the cooperatives, increasing the introduction of talents and strengthening the follow-up talent reserve.

Managers occupy an important position in cooperatives, especially the leaders, who are the core of whole cooperatives. Their management ability can be further improved by organizing them to study cooperative knowledge, management methods and production techniques regularly^[7]. While improving the working environment, Shangqiu City should give extra subsidies to high-quality professionals who volunteer to join the cause of agriculture, rural areas and farmers in the talent introduction policy, and commend them by combining with television stations and other units to alleviate the worries of high-quality talents who are unwilling to go to the countryside to some extent. The government should strongly support fresh graduates and students from agricultural colleges and universities to devote themselves to agricultural and rural undertakings, and especially, long-term contacts can be established with agriculture-related colleges and universities. Major cooperatives can realize the integrated development of production, learning, research and use by providing internship positions for colleges and universities, so as to cultivate high-quality agricultural talents^[8].

Breaking the restriction of information asymmetry by many means

With today's market informationization, farmers' professional cooperatives should realize the important role of informationization, especially the Internet, in agricultural information, and realize that information asymmetry is one of the important factors that lead to unsalable and difficult-to-sell agricultural products. Just because of the asymmetry of market information, it is difficult to open the agricultural product market, resulting in the phenomenon of oversupply, and even the strange phenomenon that "products are sold at a very cheap price, while the purchasers are unable to buy them at the same time". In order to solve the problem of market information asymmetry, we must apply agricultural informatization means, improve the utilization rate and penetration rate of the Internet, establish an information docking platform, fully apply Internet technology to obtain market information, and provide farmers with information such as market prices and market demand of agricultural products. Meanwhile, agricultural products information can be released through news media, network information platform, e-commerce and other channels to guide more consumers to consume and purchase, thereby realizing online trading of agricultural products and promoting the generation of information flow, commodity flow, logistics and capital flow^[9].

Giving full play to government functions and encouraging the masses to actively participate in cooperative work

It is necessary to give full play to the leading core role of village's "two committees" team, strictly implement the responsibility

of the village party secretary who is directly responsible for cooperative construction, innovate and implement the new industrial chain development model of "party organization + cooperative + base + farmer + marketing", and effectively build party branches on the industrial chain, so as to enrich the people in the industrial chain and stimulate more people to join cooperatives actively. According to local conditions, the government should guide each township (town) to create 1 – 2 well-run and strongly-driving model cooperatives, and set up a model for the masses to see and learn, so as to achieve the goal of making the masses actively participate in cooperative work through realistic dividends.

Conclusions

Farmers’ professional cooperatives are the future development direction of rural production and management system and an important way to promote agricultural scale operation and centralized development. However, in the domestic and international environment of agricultural products market, with the deepening of market economy and the development of globalization, the operation and management mechanism of farmers’ professional cooperatives is not perfect enough, and the scale of operation is not large enough, and professional management talents are still lacking. As a result, the market competitiveness is not strong enough.

In order to break the bottleneck of development, farmers’ professional cooperatives should not only give full play to their own advantages to overcome their disadvantages, but also seize the opportunity to meet the challenges and constantly improve their comprehensive management level. Meanwhile, the government needs to further increase its support, solve difficulties and problems in the development of farmers’ professional cooperatives, and make overall plans to optimize social resources. It is also necessary to cultivate a professional talent team, actively research and develop

agricultural products with industrial characteristics, and create brand names with agricultural products. Meanwhile, related managers should constantly innovate marketing models, realize a higher level of agricultural industrialization and a larger scale of operation, and guide farmers’ professional cooperatives to develop sustainably in a healthy direction.

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(Continued from page 40)

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