

WRITTEN QUESTION P-5393/08  
by Béatrice Patrie (PSE)  
to the Commission

Subject: Tax arrangements for French agricultural cooperatives

The French national federation of agricultural material cooperatives has notified me of its concerns regarding the complaint lodged with the Commission relating to the exceptional tax arrangements applied to French agricultural cooperatives. The complaint, lodged in May 2004 by a private operator, calls on the Commission to rule on the compatibility of these arrangements with Community rules on state aid.

It should be borne in mind that French agricultural cooperatives are partnerships (and not joint-stock companies) governed by specific legal provisions containing numerous restrictions aimed at ensuring that cooperatives genuinely serve farmers:

- their business is limited to transactions that will expand the agricultural activities of their members;
- cooperatives may essentially carry out financial transactions only with their members (transactions with third parties being limited to 20% of turnover);
- the geographical area of activity is limited;
- the aim is not to make profit: capital interest is limited, reserves may not be shared, shares are redeemed at their nominal value and discounts are awarded on a pro rata basis relating to the activity between the members and their cooperative;
- a 'one man, one vote' decision-making system.

These tax arrangements therefore have certain 'advantages' but also 'restrictions', which should be judged *ex aequo et bono*.

Can the Commission inform us of its intentions as regards this matter, which has been open since 2004?