

SOCIAL COOPERATIVE

HETEDHÉT HATÁR

KÖZÖSSÉGFEJLESZTŐ

START SZOCIÁLIS SZÖVETKEZET

HETEDHÉT HATÁR



ADDRESS/COUNTRY

HU-7227 Gyulaj, Szent Imre tér 1 -
HUNGARY

LEGAL ORGANISATIONAL FORM

Social cooperative

WEBSITE LINK

<https://www.hetpecsetes.hu/lorem-ipsum-dolor-sit-amet-40>

CONTACTS

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YEAR OF CREATION

2013

DESCRIPTION/MAIN ACTIVITIES

Since 2013, in the Southern Transdanubian village called Gyulaj with a population only slightly more than 1000 inhabitants, Hetedhét Határ (HH) Social Cooperative has been managing a plant preservation (pickling) and a meat processing facility. The cooperative works together (more precisely with the membership of) the local municipality and the Hungarian Charity Service of the Order of Malta, with a handful of member employees. The processing activity is primarily based on the agricultural production rooted in the public employment program of the settlement of Gyulaj, which runs farming activities such as horticulture production (fruits on orchards, vegetables outdoors and in foil tents, and mushroom) and animal husbandry (mostly pig fattening). The cooperative's processing plant is ready to take over more than 600 tonnes of vegetables in a year, and it accepts plant and animal products from the local families as well.

MAIN STAKEHOLDERS*member, clients, producers*

- » Local municipality of the village of Gyulaj (founding member);
- » Maltese Charity Service (founding member);
- » Disadvantaged individual members (public employees);
- » Local families (suppliers of agricultural raw materials);
- » External product distributors;
- » Institutional buyers (e.g. municipalities' schools and social institutions);
- » Shopping communities;
- » Partner co-operatives

GEOGRAPHIC COVERAGE*1-service/goods production; 2-markets/consumers/beneficiaries*

HH mainly supplies the local public kitchen and school canteen, and one of the biggest buyers is the Maltese Charity Service itself, which also assisted in the establishment of the local food production system and participates in the (online) distribution of the products. The coop tries to maintain good relationship with consumer communities too, along short food supply chain relations in the surroundings of the village.

REVENUE

In the year 2018, the net revenue of HH was 165 827.

STRUCTURE/ OWNERSHIP

OWNERSHIP STRUCTURE

who/how many: shareholders/owners/members/worker members/ donors, ...

The members of HH are the local municipality of Gyulaj, socially disadvantaged people (public employees), local planning and management experts, and the Hungarian Charity Service of the Order of Malta.

In July 2020, HH has been having 9 members. The coop usually employs 6-10 members, some of them within the framework of the public employment programme, in a 'sui generis' legal relationship.

VOTING PROCESS

In the decision-making procedure the members have equal voting rights.

BENEFITS OF BEING MEMBERS

- » Right to have share from the production, originating from the employment relationship of the members;
- » Opportunity of integration (agricultural inputs provided to local families that do farming).

GOVERNANCE AND MEMBERS PARTICIPATION

STRUCTURE/ORGANISATION CHART

The decision making is carried out by the General Assembly. The Board of Directors leads the management of the cooperative. There are dedicated, non-disadvantaged members being responsible for the following areas:

- » administrative management;
- » development strategy building;
- » investment, product design.

ASSEMBLIES

how many, how, other assemblies than the General one

There are no other specific assemblies.

BOARD COMPOSITION AND ORGANISATION

The management board has 3 members with a chairman. The supervisory board consists of 3 people.

**COOPERATIVE
PRINCIPLES
BEST PRACTICES**

*Principles for which
the coop represents
a good practice*

PRINCIPLE 1. VOLUNTARY & OPEN MEMBERSHIP

HH represents the type of social cooperative that meets local community needs. The composition of the membership corresponds to the local conditions and activities, and, in this sort of cooperative the local government and charitable organizations can be members. It can organize and operate local public services. In its membership structure, HH accepts unemployed, socially disadvantaged local citizens to be members, and it is also able to employ them with a full-time contract. The diversity of members and the expansion and management of activities is ensured by the membership of the local municipality and the Maltese Charity Service.

PRINCIPLE 3. MEMBERS' ECONOMIC PARTICIPATION

There is some variation in the sharing of costs among organizational members, according to which organization manages the municipally owned buildings: the meat processing plant is operated by HH and the pickling (plant preservation) factory by the municipality. At the community house, the municipality pays for the electricity, the Maltese Charity Service pays for the staff, while the firewood and maintenance costs are provided by the social cooperative. The point is to make everything work, let people see that the building is always open and there is someone who can help them.

PRINCIPLE 4. AUTONOMY & INDEPENDENCE

HH has a butcher shop in the village of Gyulaj and in the city of Dombóvár (the centre of the sub-region/district), labelled with the brand called 'Jovánczai Hétpecsétés'. Recently, the Maltese Charity Service sells the sauces, creams, chutneys, marmalades and pickles made by HH under the name of 'Máltai Manufaktúra' in a webshop (together with the products of other social co-operatives). The development of the pickling factory, in addition to the meat processing plant, was a step made consciously for the sake of better economic resilience, due to the fact that formerly the public employment exclusively based on agricultural raw material production and sales used to be associated with the leakage of economic value from the settlement.

PRINCIPLE 6. COOPERATION AMONG COOPERATIVES

HH collaborates with the social cooperatives of the surrounding settlements, e.g. the pig products of the members are brought to another social coop's slaughterhouse, which prepares the swine for further processing. Another social cooperative trades their pasta products together with HH's tomato sauces.

PRINCIPLE 7. CONCERN FOR COMMUNITY

HH social cooperative provides local employment opportunities for the citizens who are in a socially deprived situation and have difficulties with finding an occupation, mostly due to their low level of educational attainment. After the coop's production being made economically sustainable, it creates an additional source of income for various stakeholders of the settlement (municipality, members and public workers) and, thanks to the work experience provided, it already helped the re-integration of dozens of people from the active age groups to the labour market, together with the municipal project-funded training programs and other civil initiatives.