Financial Instruments and Conflicts of Interest: Application to French Agricultural Co-operatives

Francis Declerck

ESSEC Business School Paris-Singapore
decerck@essec.fr

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ABSTRACT

To finance their growth and value creation, agricultural co-operatives have at their disposal several financial instruments: equity, quasi-equity or debt. Many of these instruments are particularly innovative and have been designed specifically for co-operatives. In France, only recently have some co-operatives expanded their types of financing to include external funders through the issue of OTC- or publicly-traded securities.

Agricultural co-operatives' governance and economic projects are often misunderstood by external financial investors. The risk of conflicts of interest plays a role in these misunderstandings in the way retained earnings, returns to agricultural products brought by co-op member and returns to equity capital. Such risks are identified and answers are proposed.

Keywords. co-operative; agricultural co-operative ; financing ; financial instrument ; conflict of interest; shareholder

1 Introduction

The objective of the paper is to identify risks of conflicts of interests related to the financing of French agricultural co-operatives. The governance of agricultural co-operatives (co-ops) is not well understood by external financial investors (funds and investment bankers). Potential conflicts of interest are important. These two points affect the development of co-operatives.

To finance their development, agricultural co-operatives have financial instruments in equity, quasi-equity and debt funds. Several of these instruments are innovative. Solutions are proposed to prevent conflicts of interest identified between co-operative members and external financial investors. A co-operative may adopt governance mechanisms with clear property rights and satisfying way of remuneration for each stakeholder. And it is possible to strengthen the common interests of co-operative members and outside investors, which is innovative.

The paper is organized as follows. First, a literature review identifies the specific challenges and constraints to raise equity. Recovery is also literature on the specifics of co-operative share capital and its impact on financial governance. Then it presents the usual modes of financing co-operatives and most innovative instruments, using external financial investors. Then it analyzes the potential conflicts of interest between co-operative members and external financial investors. Finally, solutions are proposed.
2 Literature review: stakes and constraints to lever equity capital

Agricultural co-operatives face constraints in raising capital because of their governance, property rights and limited return on equity. Modes of governance of collective enterprises have a strong influence on financial resources for value creation (Malo and Vézina, 2004; Cook (1995), Hendrikse and Verman (2001), Royer (1999) and van Bekkum (1997) observe that the strategies of agricultural co-operatives have been affected by their limited access to capital and partly because they are not publicly traded.

Limited equity remuneration penalizes agricultural co-operatives raising equity (Cobia and Brewer, 1989). The co-operative members are often the only providers of equity (Staatz, 1987). Property rights are often unclear. Several co-operative models have emerged with property rights defined more clearly in Canada (Côté, 2001) and the USA (Chaddad and Cook, 2004), paving the way for attracting external shareholders. But Chaddad and Cook (2004) found that the constraints on access to capital in the U.S. remain. Hailu (2012) made the same observation in Canada.

Van der Krogt et al. (2007) showed that alliances and mergers and acquisitions of dairy co-operative strategies in Europe can be explained by risk aversion and access to capital constraints. Arising from mergers, the top 10 European co-operative groups have financed their development by opening their capital to other investors and Ireland co-op farmers have lost the power to the financial investors (Mauget, 2011).

For Filippi and Triboulet (2011), Mauget (2011), Thévenot (2011) and Chomel et al. (2013) governance of the co-operative with voting rights associated with co-operative differs from that co-operative group’s subsidiary that is usually an investor-owned corporation. The governance of investor-owned corporation includes rights to vote according to the amount of equity capital. So such a co-op subsidiary may attract external financial investors but it may keep co-op members from the management of a subsidiary of co-op.

3 The specificity of share capital in co-operatives

The specificity of share capital in co-operatives is based on the general principles developed by the International Co-operative Alliance (1995) and mentioned in the declaration of Manchester.

3.1 Status of share capital social provided by co-op members

Share capital of co-ops is ruled under specific principles: limited rate of return, no capital gain, risks in case of co-op financial distress.

In France, the law of September 10, 1947 defines a specific status for co-operatives. And the law of August 27, 1972 states that "...agricultural co-operatives and their unions are a special category of companies, separate from civil societies and corporations. They have legal personality and full capacity..." and their share capital is variable (Koulytchzicky and Mauget, 2003; Draperi, 2012).

Following Vienney (1980), Deshayes (1988) uses the agency theory to analyze the modes of governance. A co-operative differs from an investor-owned corporation whose risky product is the equity capital provided by shareholders. The share capital, held by co-op members, is a property right and an operating right for an economic act together with other members: collection, processing and sale of agricultural products, production and sale of purchase of farm inputs and services. The co-operative aims at maximizing the price of the agricultural product provided by co-op members. The risky product is the price of agricultural products brought by co-op members to the co-op.

3.2 Limited remuneration of co-op share capital and formation of net income

Co-op members subscribe shares in proportion to the operating activity carried out with the co-op in exchange for a commitment to activity. The remuneration of equity capital in co-operatives is limited. In France, under Article 14 of the 1947 Act, the rate of return on share capital in co-operatives is limited to the average yield of bonds in investor-owned corporations (TMO). TMO, published by the Ministry of Economy (2014), was worth 2.38% for the first half of 2014. Co-op shares are not entitled to a capital gain and are redeemed at face value.

For corporations, equity share gives right to dividend and a share of retained earnings in proportion to the amount of the share capital. In co-operatives, net income is different from net income in corporations (Mevellec and Bellay, 1975). In co-operatives, the price of agricultural products supplied by co-operators is decided by the Board and approved by the General Assembly. Operating income and net income of co-
ops depend on a political decision made by co-op members. They do not just depend on agricultural market prices and costs of co-ops.

3.3 Risks related to co-op member’s share capital
In case of liquidation of a co-operative, a co-op member may be financially liable for the debt of his/her co-op for a minimum amount equal of twice its share capital. When leaving the co-operative, the reimbursement of his/her share capital may be reduced by his/her share of losses not charged to retained earnings.

In contrast, a shareholder of a corporation may only lose up to the amount of his/her equity capital, but not further.

4 Financing of co-operatives and financial capital from external investors
Co-operatives may raise use different types of financial instruments to face their financial needs in order to invest. They may use equity, quasi-equity and debt capital.

4.1 Share capital of co-operatives and financial capital provided by external investors
Co-operative shares are neither negotiable nor listed on stock exchange: a co-op member cannot sell his/her equity capital. His/her amount of shares is related to his/her agricultural activity and transmitted to his/her successor at the head of the farm. When leaving the co-operative, he/she may ask for reimbursement. Co-operative repays member’s share capital, generally 5 years after the departure of co-op member, at face value if its economic and financial situation allows it.

A co-op member, who leaves the co-operative, cannot claim a share of the retained earnings, which do not allow capital appreciation. The statute of agricultural co-operatives requires retained earnings to remain undivided.

By contrast, the shares of investor-owned corporations may be negotiable by individual and legal persons on stock exchange. Share market value incorporates the value of retained earnings.

4.2 Traditional financing of co-operatives
According to Mauget (1991) working on equity capital, a co-operative can usually:
(a) up share capital from co-op members in proportion to their operating business with the co-operative,
(b) up share capital from co-op associates (but not members) with economic activity made with the co-operative, if the articles of the co-operative permit,
(c) obtain investment subsidies,
(d) set aside retained earnings as a portion of the surplus on the decision of co-op board which must be approved by co-op members in general assembly.

Co-op shares, retained earnings and investment subsidies remain undivided and are not distributed. So, they sustain the activity of co-ops from a generation of farmers to the next one. In case of dissolution of a co-operative, co-op shares, retained earnings, and investment subsidies are part of the net assets whose balance after payment of debts and repayment of capital remains non-shareable.

Bank loans are commonly used by co-operatives.

4.3 Equity securities possibly involving external financial investors
To strengthen the solvency of co-operatives that want to expand, the French legislator has allowed them to eventually raise money from external financiers by creating the following securities:
(a) equity securities such as co-operative investment certificates (certificats co-opératifs d’investissement CCI), shares with particular advantages (parts sociales à avantages particuliers PSAP) and savings shares (parts sociales d’épargne PSE) to their members,
(b) hybrid securities such as equity securities (titres participatifs TP) by calling public savings.

Established in 1987, a co-operative investment certificate (CCI) is a title without voting right. It is issued by a mutual company or co-operative. It can be traded and listed. Its rate of return is greater than or equal to that of shares without exceeding the maximum rate of return on equity capital. CCI may be issued to external financiers.
Created in 1992 and revised in 2006, shares with particular advantages (PSAP) are intended to:
(a) strengthen capital, by issuing shares for this purpose or by conversion of shares held by the shareholders, beyond their statutory commitment,
(b) raise co-op members’ interest to the development of their investor-owned corporation subsidiaries that can deliver dividends to co-op members.
PSAP, whose amount is limited to half of the share capital, is accessible to all co-op members and co-op associates. As co-operative shares, PSAP do not provide additional voting rights or additional retained earnings. The advantages are defined by co-op statute:
(a) priority to pay interest to such shares,
(b) a rate of return which is limited to the rate of return on co-op shares with a maximum of 2%,
(c) possibility to get dividends from co-op subsidiaries
(d) limited responsibility to the amount of PSAP share in case of co-op liquidation, and
(e) reduced schedule of repayment to be defined by any co-operative issuing such instruments.
Established in 2006, savings shares (PSE) are derived from the distribution of net earnings to co-op members in proportion to their operating activity with the co-operative or a co-operative union. Co-operative associates, but not members, will not have access. PSE have the same face value as other co-op shares and give the same right to returns. It is a capitalization of retained earnings in the form of shares to co-operative members. Co-operatives strengthen their equity capital without outflow of money.

4.4 Equity capital of co-operatives with subsidiaries
A co-operative may also generate capital through the issue of shares made by a subsidiary which is a corporation. These corporate shares may be traded. So, co-ops may take advantage of other legal mode of governance.

4.5 Quasi-equity capital
Titres participatifs (TP) are quasi-equity securities from outside investors. They are redeemable at the initiative of the issuer after a minimum of 7 years. They are not depreciable. Their remuneration has two components:
(a) a fixed base which must be greater than 80% of the face value of the security, at an interest rate announced in advance, fixed or variable,
(b) a variable proportional to a performance indicator of the co-operative.
Sometimes the TP is not refundable. TP bears the risk of being repaid after the repayment of other loans, so it incorporates high cost of risk liquidation. Mauget and Hamon (1994) explain their limited success because such securities are illiquid. Furthermore, variable rate indexed to the performance of the co-operative worried potential investors. So, interest rate must be high to attract investors.

4.6 Other types of financial debts of co-operatives
Since the Act of January 3, 1991, French co-operatives have the right to issue bonds. They can also use multiple option facilities (MOF). A bond is a debt security that gives the holder the right to a coupon which is a periodic interest payment paid by the issuer. It also gives the right to attend general meetings as an observer. The issuer decides to issue it as an OTC security or as a security traded on exchange. It decides its duration and method of repayment. Bond requires formalities with a financial market regulator (Autorité des Marchés Financiers in France): its administrative costs make it an instrument only suitable for large groups.
Multiple option facilities (MOF) are multiple lines of credit options confirmed by a banking syndicate, often up to 7 years. These credits fit financial needs over time. Such flexibility makes MOF a suitable instrument for financing mergers and acquisitions quickly.

5 Use of different financial securities by French agricultural co-operatives
All agricultural co-operatives use shares, retained earnings and bank loans to finance their activities. However, the subscription of shares is a small proportion of financial securities used by French agricultural co-operatives. Co-operatives have limited use of quasi-equity using external funders.
Recently, several co-operative groups have opened their equity capital.

5.1 Use of financial securities by co-operatives

The opening of the share capital of co-operatives to external investors has attracted neither the banks nor the funds. Co-operative investment certificates (CCI) and savings shares (PSE) have not yet been used by agricultural co-operatives. Shares with particular advantages (PSAP) have not interested co-operatives, except for their co-op members. This may change with the development of industrial subsidiaries in the form of investor-owned corporations that also provide rights to produce.

For TP, quasi-equity securities were issued in 1987 by Union Laitière Normande (ULN) and in 1989 by CANA (now named TERRENA). But the difficulties of the ULN in 1991 and its dissolution have highlighted the risk of non-repayment. In 2007, Tereos, a sugar co-operative in 2007, issued € 500 million 7-year bonds at 6.375% fully subscribed by one hundred investors. But French law prohibits the convertibility of bonds from co-operatives into shares. Generally these financial securities have interested neither co-operatives nor external investors.

5.2 Use of financial securities by co-operative groups

In recent years, co-operative groups have opened the equity capital of their subsidiaries that are investor-owned corporations and have also issued bonds. Several co-operatives set subsidiaries as investor owned corporations to host their processing units. Often a subsidiary is focused to a given manufacturing activity in order to achieve economies of scale. The share capital of subsidiaries of co-operative groups has been open to financial institutions or co-op associates and employees: Advitam, Agrial, Axéréal, Laita, Sodiaal Tereos and Vivescia.

Thus, the holding Advitam Investments opened its capital in 2012 to three financial institutions (Crédit Agricole, Unigrains and Sofiprotéol) and in 2013 to co-op members and employees. In 2007, Siclaé, subsidiary owning industrial activities of Vivescia co-operative group, opened its equity capital to 2,300 shareholders: financial institutions, co-op members, co-op associates and co-op employees. In both cases, the subscription of co-op members was less than the amount expected, but it expresses the will to bring together co-op members and external financiers (of industrial co-op subsidiaries) by a common interest.

Funds coming from co-op members and co-op associates (retired members, employees) are small compared to funding needs. But private investment funds (PAI Unigrains and, Crédit Agricole) and State-owned financial institutions (Fonds Stratégique d’Investissement et Banque Publique d’Investissement) have provided significant equity capital to subsidiaries of co-operative groups, including Sodiaal, Agrial, Axéréal and Vivescia.

Two co-operative groups listed subsidiaries on stock exchange:

1. Limagrain, the fourth largest world seed enterprise has listed its subsidiary Vilmorin & Co., a global leader in vegetable seeds, in Paris since 1993.
2. Tereos, 4th world sugar enterprise and 3rd European starch processor, has listed its Brazilian subsidiary Guarani in Sao Paulo since 2010.

Bonds have been issued by subsidiaries of several co-operative groups since 2010: Agrial, Advitam, Siclaé-Vivescia and Sodiaal. Co-operative groups have opened the equity capital of their subsidiaries to external investors to meet their financial needs and to co-op members and employees to provide them an incentive for a common (financial) interest in industrial subsidiaries.

6 Possible conflicts of interests between co-op members and external investors

Lafleur (2012) and Chomel et al. (2013) infer that co-operatives have to take up challenges of equity capitalization and investment. Conflicts of interest among stakeholders may be a hurdle. They are rooted in the specificity of rights held by the different co-op stakeholders, co-op members on one hand and their partners in investor-owned corporations on the other hand.

6.1 Economic logic in co-operatives and in investor-owned corporations

Economic logics of co-operatives and investor-owned corporations differ:

1. In a co-operative, the risky product to maximize is the value of agricultural products provided by the co-operative members. Residual net income may be paid out to co-op members in proportion of their operating activities with the co-op.
2. In an investor-owned corporation, the risky product to maximize is the value of the share that is the financial capital provided by shareholders. Residual net income may be paid out to shareholders as dividends.

This difference may cause conflicts of interest among equity shareholders (co-op members, co-op associates and external investors) in a co-operative or its subsidiaries incorporated as investor-owned corporation.

6.2 Equity capital and conflicts of interest in co-operative

For shares with particular advantages (PSAP) and savings shares (PSE), there is no conflict of interest between co-op members and co-op associates (who also are farmers) who first seek production rights by securing the sale of their agricultural production.

For retained earnings, there is a potential conflict of interest between co-op members and co-op associates. The share of retained earnings out of net income are not be used to increase the price paid for agricultural products brought to the co-op. The decision about the amount or proportion of retained earnings is taken by the co-op board of directors mainly consisting of co-operative members.

For co-operative investment certificates (CCI), there is a risk of conflict of interest between the remuneration of financial capital to shareholders and the remuneration of agricultural products to co-op members. The board of directors of a co-operative must arbitrate between maximizing prices paid for agricultural products and dividends paid for equity capital while dividend yield is limited to the TMO rate by law.

6.3 Equity capital and conflicts of interest in co-operative group with subsidiary

In case of issuance of shares by a subsidiary of co-operative, there may be a conflict of interest between shareholders from the co-operative and other investors. When the co-operative is a minority, priority is often given to returns to subsidiary shareholders in the form of dividends and potential capital gains.

If the co-operative is predominant, there may be a conflict of interest between shareholders’ dividends and prices paid for agricultural products brought by co-op members whether these are direct shareholders or shareholders via the co-op. Arbitration is required.

6.4 Quasi-equity capital and conflicts of interests

No voting rights are attached to hybrid securities, whose remuneration is linked to the financial performance of the issuer. This is a source of conflict of interest in co-operative whose purpose is to maximize prices of agricultural products brought by co-op members.

For hybrid securities like TP, the variable rate on the performance of the co-operative is in conflict with the maximization of prices paid for the agricultural products brought by co-op members.

6.5 Financial debt and conflicts of interest

For the debt, there is no risk of conflict of interest. Any co-operative must meet the service of its debt first.

Tables 1 and 2 sum up the analysis of the different financial instruments, that may be used by co-operatives. Table 1 provides the advantages and drawbacks of equity and hybrid capital of co-operatives and possible conflicts of interests among financial partners. Table 2 exhibits the advantages, drawbacks of financial debt instruments used by co-operatives. It also mentions that there is no conflict of interest among co-op members and debt holders.

7 Propositions to solve conflicts of interest

To prevent conflicts of interest identified between co-operative members and external financial investors, the mode of governance in co-operatives may include clear property rights of remuneration for each and a remuneration which does not depend on a political decision of co-operative members. It is also possible to strengthen the common interests of co-op members and outside investors, which is new.

Clear property rights were mentioned by Coté (2001) and Chaddad and Cook (2004) to attract external financial investors. This involves the remuneration of every type of shareholder. For Thévenot(2011), Mauget (2011) and Chomel et al. (2013), the governance of every financial investor in a co-operative group differs from that of the co-operative. But this is not enough. Agricultural prices which do not depend on a political decision of co-op members are essential to prevent conflicts of interest and attract
external financiers. Arbitration is required between maximizing the return on agricultural product of co-operative members and maximizing the return to external financial investors while retained earnings must be decided to reinvest.

In a co-operative, a possible solution is to pay agricultural products at market price with clear reference before issuing financial securities accessible to external investors. In case of issuance of equity capital such as investment certificates (CCI), the agricultural products provided by co-operative members may be paid at market price. But co-op members exclude the possibility of getting a portion of the net income. And shareholders must agree on the amount of retained earnings to reinvest in the co-op.

For a co-operative group, arbitration may be different. In the case of an investor-owned corporation which is a subsidiary of a co-operative:

(a) the co-operative maximizes the return on agricultural products supplied by co-operative members to the co-operative, including part of net earnings,

(b) co-op subsidiary as investor-owned corporation maximizes the return on financial capital and pays agricultural products at market price.

Often in a co-operative group agricultural products are only brought to specialized subsidiaries that are investor-owned corporations of the co-operative. The co-operative allows co-operative members to retain management power to manage economic efficiency and their overall remuneration better. Shareholders, who are co-op members, receive dividends and capital gains from subsidiaries that correspond to their economic efficiency. This solution enables co-operative members to arbitrate their own method of payment while maximizing the economic efficiency of each entity. An investor-owned corporation, which is a co-op subsidiary, may have to implement economies of scale in an area beyond the geographical business area of the co-operative where co-op members do farming. The co-operative can manage various industrial business by business subsidiaries with farmers who are shareholders in subsidiaries in addition to the co-operative itself.

Furthermore, the amount or proportion of retained earnings must be clear when external financial investors enter a co-op or a co-operative group.
To strengthen the common interests of co-operative members and outside investors may be useful. It can help to cope with the risks of co-op members’ disinterest for industrial subsidiaries and latent conflicts. The equity capital of co-op subsidiaries as investor-owned corporation can be opened directly to co-op members and not only indirectly via the co-operative. This may facilitate the understanding of economic issues and partnership with external financiers.

8 Conclusion and prospects

Governance and economic projects of co-operative groups are often misunderstood by external financial investors. Potential conflicts of interest play a role in these misunderstandings and the low participation of external financiers.

To prevent such conflicts of interest, governance can:

(a) clarify property rights on the remuneration of each,

(b) adopt a mechanism to pay agricultural products according to a mechanism that does not depend on decisions of co-op board of directors and the general assembly of co-op members,

(c) strengthen the common interests of co-operative members and outside investors.

Recent concern opens up new prospects for all stakeholders in co-op development. Arbitration may be necessary between 3 elements: retained earnings to reinvest in the enterprise, returns to equity capital and prices paid for the agricultural products.
Retained earnings to reinvest in the enterprise

Market price paid for agricultural products brought by co-op members

Dividend yield to equity capital brought by shareholders

Figure 3. Three elements to arbitrate in co-ops and co-op groups
Table 1.
Equity and hybrid capital of co-operatives and possible conflicts of interests among financial partners

<table>
<thead>
<tr>
<th>Financial instrument</th>
<th>Advantages</th>
<th>Drawbacks</th>
<th>Possible conflicts of interests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share equity capital</td>
<td>Reimbursement at the initiative of the co-operative within 5 years</td>
<td>Low attractiveness because the rate of return is low, limited to interest rate of investor-owned corporations published by the Ministry of Economics (TMO)</td>
<td>No conflict of interest</td>
</tr>
<tr>
<td>Shares with particular advantages = Part sociale à avantage particulier (PSAP)</td>
<td>Incentive related to subsidiaries of the co-operative</td>
<td>Limited rate of return inducing low attractiveness for co-op members</td>
<td>No conflict of interest</td>
</tr>
<tr>
<td>Savings shares = Part sociale d’épargne (PSE)</td>
<td>Capitalization of retained earnings in the form of shares for co-op members</td>
<td>Low attractiveness for co-op members who do not receive money</td>
<td>No conflict of interest</td>
</tr>
<tr>
<td>Issuance of shares by co-op subsidiary which is an investor-owned corporation</td>
<td>Remuneration as dividends according to the economic efficiency of the subsidiary</td>
<td></td>
<td>Potential conflict of interest between shareholders from the co-operative and other investors, unless agricultural product is paid at market price</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>No cash outflow. No refund</td>
<td>Surplus income can be set aside as retained earnings at the discretion of the Board</td>
<td>Potential conflict of interest between co-op members and other investors because the excess income can be set aside at the discretion of the Board</td>
</tr>
<tr>
<td>Co-operative investment certificate = Certificat coopératif d’investissement (CCI)</td>
<td>Access to public capital without power (right to vote). No refund.</td>
<td>Divergence of interest between the remuneration of CCI quasi-shareholders and remuneration of agricultural products to co-op members.</td>
<td>Potential conflict of interest between the remuneration of CCI quasi-shareholders and remuneration of agricultural product to co-op members to co-op members</td>
</tr>
<tr>
<td>Hybrid security = Titre participatif (TP)</td>
<td>Access to public capital without power. Reimbursable at the initiative of the issuer</td>
<td>High interest rates to attract savings. Variable rates on the performance of the co-operative. No liquidity of securities</td>
<td>Potential conflict of interest between the remuneration of quasi-shareholders and remuneration of agricultural product to co-op members. The variable rate on the performance of the co-operative is in conflict with the purpose of maximizing prices paid for agricultural products supplied by co-op members</td>
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### Table 2
Debt instruments of co-operatives and potential conflicts of interest between stakeholders

<table>
<thead>
<tr>
<th>Financial instrument</th>
<th>Advantages</th>
<th>Drawbacks</th>
<th>Possible conflicts of interests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond</td>
<td>No dilution of members’ power</td>
<td>Heavy and significant administrative costs: issuing bonds may only be appropriate for large groups</td>
<td>No conflict of interest</td>
</tr>
<tr>
<td></td>
<td>Financial instrument known and appreciated by financial investors</td>
<td>Risk of negative financial effect of leverage. No possible convertibility into co-op share.</td>
<td></td>
</tr>
<tr>
<td>Bank loan</td>
<td>No dilution of members’ power</td>
<td>Risk of negative financial effect of leverage</td>
<td>No conflict of interest</td>
</tr>
<tr>
<td></td>
<td>Financial instrument known and appreciated by financial investors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multiple option</td>
<td>No dilution of members’ power</td>
<td>Costly implementation by banks, MOF are more adapted to large groups</td>
<td>No conflict of interest</td>
</tr>
<tr>
<td>facilities (MOF)</td>
<td>Flexible financial instrument</td>
<td>Risk of negative effect of leverage and debt limit</td>
<td></td>
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</table>
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