

## MECIS Economic Justice Learning Event, March 10-13, Belgrade, Serbia

### Introduction



Thirty staff and partners from 7 countries across the MECIS region (Armenia, Azerbaijan, Georgia, oPt and Tajikistan), Oxfam Italia colleagues Bosnia & Herzegovina and a colleague from Nepal participated in the economic justice community of practice learning event in Serbia. The focus of this year's learning event was on collective action. Serbia was identified as an appropriate location to learn from the experience of cooperatives as the country has undergone through wide range of transitional changes and has developed examples and business models to learn from. Our learning questions included themes of resilience & adaptation, markets & services, women's empowerment and policy influencing.

### What we observed?

SEDEV the local partner shared highlights of the rural and agricultural sectors in Serbia, and introduced three models of cooperation: (a) old cooperatives, traditionally subsidized and heavily supported by the state; (b) private cooperatives, providing trade and commercial intermediation; and; (c) new cooperatives, focusing on joint purchase of inputs, and joint preparation of produce for the market. A discussion took place on the role of cooperatives in transition economies.



We had intriguing field-visits to well-established Serbian cooperatives, associations, government and private sector and had in-depth discussions with farmers, cooperatives and associations to learn from the state-led, private sector-led and community-led examples. The focus was on learning from different models, but as Oxfam staff and partners, we were also keen to learn about Serbian experience on inclusiveness (considering a small membership in Coops against the total farming population), gender-roles in communities and need for policy advocacy.

We witnessed cooperatives and informal associations working on private sector principles and economy of scale. It was easier for them to opt for collective input purchase as compared to collective marketing. Collective marketing worked for cereals and grains better than vegetables & fruits due to quality variations and perishable factors, among the cases visited in the field. In order to reinforce a cooperative or an informal group, step by step and gradual approach was useful that started with collective inputs purchase/supply and then move to collective production, marketing and processing. Cooperatives visited did not distribute dividends at the early stages of development. Collective action was facilitated under cooperative law or as a social enterprise.



We noticed that farmers in the fresh fruits sector joined hands, put resources together up to EUR 2 million on a shared-asset model and set-up joint value-addition (grading, sorting, packing and warehousing) facility. This was a sustainable solution to their main problems. In another example, farmer cooperative had a deal with a private company for inputs and equipment supply under a business plan that also facilitated access to credit from a local bank.

We observed that some private companies successfully established credibility with farming communities through their outreach programme and worked effectively with farmers. Mutual trust between private sector and farmer groups is a crucial factor for a business relationship. We met a private company called “Agro Grnja” that is working with large number of farmers like a patron and meeting most of their supply and financial services needs. Such system can work better when private sector is regulated in a transparent and accountable manner.

Social development is a crucial aspect to strengthen household system and a necessity for the economic empowerment. We felt that some of our programs need to strengthen this aspect. Our meetings with women associations engaged on social aspects such as folklore, library, handicrafts and preservation of culture and tradition was interesting. Some women also made advancement towards political leadership sphere. We inspired them to explore non-stereotype roles and increase engagement in economic decision-making at households and community levels. Our visit to Slovakian women association indicated that minority-groups can work effectively on social activities as they feel themselves part of a close-knit society.



The Government show-case project in the Municipality of Indjija was impressive to see how the e-governance can be effective in an industrial environment and can provide information to citizens on a regular basis using internet and technology. The scope of work undertaken by the Rural

Development Agency included a database of farming households (linked to GIS), and a support framework for farming communities. In addition, we observed how, local government level can be an effective way (entry point) to transfer farmer’s needs to access to information, assets, credits etc. This could be even stronger in cases where local authorities have enough budgets to allocate to socio-economic development. Political will and leadership of strong and charismatic personalities at local level can bring epochal changes in the governance system.

### **What we discussed?**

In light of the learning from field-visits, we discussed nine case studies presented by different Oxfam teams and partners on various types of collective models. The pro-poor berry value chains in Central Bosnia and Herzegovina presented an interesting model to engage with private sector targeting poor farmers and influential institutions with the aim of boosting competitiveness of the value chain, while ensuring inclusiveness of the more vulnerable actors. Setting criteria for selecting poor farmers was a key aspect of the project design. Azerbaijan case study suggested ways to develop strawberry and onion value chains by developing links between farmer group and market players.



The Palestinian Olive Oil value chain program presented approaches to facilitating improvements in supply and regulatory/enabling environment. Continuous capacity building of cooperatives and stakeholders could overcome the challenge of operating on commercial lines in a subsidized environment. Economic recovery in the Gaza Strip shared longer-term approaches to tackle underlying causes of poverty and inequality.

The Georgian case study explained the approach to multi-stakeholder engagement and methods of transforming informal groups of small holder farmers into the co-operatives and stressed on the importance of awareness-raising and capacity-building of stakeholders and shared a tool kit for organizational development of cooperatives. The Armenian model advocated for economic and

political empowerment of farmer groups especially women and creating enabling environment for pro-poor development. The Tajikistan case study shared learning on women producer groups and community-based extension service model. The Nepal case study presented a story of a woman Kalpana who has better access to opportunities and income through women-led farmers' group and feels empowered and secured.

### **What can we do differently or more?**

Though the success factors for resilience & adaptation, markets & services, women's empowerment and policy influencing would vary from one context to the other, working on business principles can help associations/groups to grow. Business planning and external credit by a group can share risks and are easier way to compete with market demand. Collective action for farming inputs could be a good start to connect with private sector and reducing transaction costs. Mobilising communities to cooperate with private sector can start at local level. Introducing farmers to local traders and packing/warehousing facilities could help. New cooperatives should try to reinvest into the working capital rather than sharing dividends at early stages.

Investment on private sector can trigger quick change but can subsidize markets. It will be useful to balance investment on cooperatives and private sector. Enterprises can benefit from engaging with private companies but accountability of these companies must be ensured in the interest of poor. Farmers should be empowered to make best out of the deal. We must pay attention to sustainability of cooperatives and quality of services in business models. The model of influencing should follow bottom-up approach where the community groups must be empowered to demand services and accountability of government and service providers.

Places where there are no cooperatives or there is a weak acceptance or enabling environment for cooperatives, forming informal groups, working with lead farmers, identification of women leaders and role models; lobbying for common interest could be useful approaches. Associations/groups can make a difference to develop social protection system during natural disasters and shocks. It can educate communities on rights, information; markets and government programs and services.

### **What is next?**

The appetite for learning has been very high in the community of practice. We thought of institutionalizing the learning by linking with knowledge management forums like WEE in Ag knowledge hub. Developing case studies further and sharing them widely, continuing with such events, spending more time in planning the events and increasing interaction within the CoP were a few suggestions to follow-up. Country teams offered expertise to learn from each other. The learning papers will now be finalized and shared by the end of April for internal and external use.

### **Acknowledgements**

Serbia was very hospitable and cost effective. We were taken care off very well by SEEDDEV that organised the event, field visits and facilitated learning by providing background information, context analysis, external speakers and adding value throughout our discussions. Contributions from all participants and speakers from Oxfam House were useful is generating thought provoking discussions. Some messages and pictures in the annex speak by itself.

## **ANNEX:**

**Message from SEEDEV team (Goran, Ivana, Dragana, Aleksandra and Nemanja):** SEEDEV team would like to thank you for the exciting and fruitful event and would like to thank to Georgia Oxfam team for the recommendation but also for introducing us to other members of Oxfam family. The learning event was a great experience, but also inspiration for us that we have to improve. It also allowed us understanding the complexity of collective actions and their importance, the different perspectives and approaches in different countries. We are certainly hoping that our cooperation and communication will continue with all of you. Thank you very much for everything, hope that you will forget our mistakes and remember the good things from Serbia. We would like to share with you several reflections from the people you impressed at field visit:

“It was a great pleasure and remarkable experience meeting an international group and sharing our work with them. I hope that we inspired someone to follow our approach” **Petar Filipovic, Mayor of Indjija municipality.**

“I never ever get so many questions about Agency. Usually we get one or two formal questions” **Dragana Maricic Agency for rural development Indjija.**

“Thank you so much bringing such an important international group to our small municipality in order to hear what we are doing. The whole Petrovac is talking about the visit. It is a great!” **Janko Kovac president of Association of farmers Backi Petrovac.**

“I never ever get and answered so many questions! What a curious people! I hope that our presentation will help them to skip our mistakes” **Ivan Tomic director of cooperative Vocar Slankamen.**

**Message from partners in Palestine (through Nader Hrimat, Deputy Director General, Applied Research Institute –Jerusalem):** On behalf of ARIJ and ESDC and ICP, the local partner NGOs of Oxfam in Palestine, I would like to express our sincere gratitude and thankful for the great opportunity you offered through inviting us to participate in Oxfam yearly learning event. We would like to say that such a workshop had benefited us a lot, especially through the presented case studied prepared by Oxfam staff for different countries, which enjoy different challenges and ways of adaptation and innovation to contribution in improving the impact of collective approach in improving the wellbeing of the vulnerable rural people. Also, we had learned a lot from the visits coordinated by SEEDEV. We believe the gained knowhow will be a base for developing new ideas to be implemented jointly with Oxfam to empower and sustain our strong partnership, which we are looking forward to enlarge and sustain it.

**Message from Palestinian team (through Mohamad Sawafta):** On behalf of the OPT team I would like to thank you all for organizing this event. It was really a great learning experience for us all. A special thanks for Levan, Audrey, Goran, Ivana and the rest of Seedev Team.

### **Links to presentations, pictures and planning documents**

1. Presentations: <https://www.dropbox.com/sh/nbe005j9ptlomct/AABytP1QtXKSLRUFFETV4M0sa?dl=0>
2. Some pics: <https://www.dropbox.com/sh/iop5rrsrz4r81b3/AAAdD34wohI7cMyg2ZeRZI3la?dl=0>
3. Local media coverage: <https://www.youtube.com/watch?v=79HJP0Zma-w>
4. Planning documents (internal): <https://karl.oxfam.org.uk/communities/mecis-economic-justice-cop/files/regional-learning-event-2015/>