

# The well-being of small farming communities in the Black Sea region

**Report on the PREPARE Travelling Workshop  
Georgia and Armenia, October 2016**



Travelling Workshop participants at Tsaghkunq guesthouse near Lake Sevan, Armenia



**PREPARE Partnership for Rural Europe  
in association with Civil Development Agency (CiDA), Georgia  
and Development Principles NGO, Armenia**

## Introduction

This report describes a week-long event of an unusual kind – a travelling workshop, with participants from 15 countries, in the rural regions of Georgia and Armenia, focused on studying small-farming communities and discussing how those communities could be supported in pursuing their own well-being. The event formed the first step in an initiative by the PREPARE Partnership for Rural Europe, which wishes to support the strengthening of civil society and the increased well-being of rural people in the countries surrounding the Black Sea.

The aim of the Travelling Workshop was to bring together representatives of civil society and governments from eight Black Sea countries – Armenia, Georgia, Turkey, Bulgaria, Romania, Moldova, Ukraine and Belarus – for an active exchange of ideas and practical experience. Alongside them was a team of experts from PREPARE's civil society partners in eight EU member states or Western Balkan countries. The exchange was focused on the well-being of small-farming communities, the role of civil society and the promotion of effective partnership between civil society and government in rural development.

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## Part 1. Context

### 1. Background to this event

**PREPARE.** PREPARE Partnership for Rural Europe is an international non-profit association, with a current membership of two European and 17 national civil-society organisations, all focused on the well-being of rural areas. PREPARE's aim is to strengthen civil society in rural areas; to promote co-operation between local actors, governments and all stakeholders in rural development, notably in the new member states, accession and neighbourhood counties of the European Union; and to enable multi-national exchange in rural development. Since it was set up in 2000, PREPARE has pursued these aims in the Baltic and Central European countries and more recently in the Western Balkans; and has supported the creation and strengthening of national rural civil-society organisations and networks in those regions.

**Black Sea contacts.** In recent years, individual PREPARE partners have had bilateral contact with individual Black Sea countries, including practical projects. In 2015, PREPARE launched an exploratory phase of this initiative, building on those earlier contacts. This included – for seven of the Black Sea countries (excluding Belarus\*) – a search for contacts, reconnaissance visits, finding of potential partners, and preparation of a situation report. These reports revealed much interest among civil society organisations and relevant Ministries in multi-national cooperation and exchanges between the Black Sea countries, focused on the well-being of rural communities, the strengthening of civil society, and the building of effective partnerships between civil society and governments in rural development. \*For Belarus, we used materials supplied by the Sustainable Development Center, whose Deputy Chairman Dr Aleg Sivagrakau took part in the Travelling Workshop.

**Search for practical solutions.** The reports also revealed a number of key issues, related to the well-being of rural communities, which are shared between the eight countries. These issues include strong concern about the future well-being of small farming communities, notably those in mountain areas, and the out-migration of young people from the countryside. There is strong interest, in many rural regions, in finding practical solutions which address these concerns, including the role of cooperatives, land reform, the diversification of farm and rural economies, management of mountain pastures, investment in infrastructure, support for young farmers, agri-environment schemes etc.

**Multi-national exchanges.** The practical solutions described above are at the heart of many initiatives by governments, donors and civil society organisations in the Black Sea countries. Based on its past experience in central Europe and the Balkans, PREPARE believes that progress in this field can be greatly assisted by active multi-national exchanges between the organisations involved. To encourage such exchanges, we envisaged the creation of a network between NGOs and others who are involved in such initiatives in the eight Black Sea countries. Of these countries, two (Bulgaria and Romania) are EU member states, with experience of the European Union's approach to rural development. The other six countries – Armenia, Belarus, Georgia, Moldova, Turkey and Ukraine – have candidate, associate or neighbourhood status with the European Union and are now creating and implementing programmes of rural development, with support from the EU and others.

**Travelling Workshop.** The building of a network depends upon face-to-face contact between its potential members, with sufficient time and focus for those members to find a common cause. A travelling workshop can provide that focus. It offers the stimulus of outdoor activity; visits to farms, enterprises and rural communities; direct exchange with these rural people, on their own ground; and a focused discussion, between people from different countries, about the hard realities of rural life. It permits the testing of theories and of policies against the reality of action and the experience and opinions of rural people. It is a 'reality check'.

## 2. Small-farming communities

During the reconnaissance visits to seven of the Black Sea countries, made by different PREPARE partners in 2015, the central theme was always the well-being of the rural population. We wished to understand the aspects of that central theme which rural stakeholders in each country saw as most significant.

The responses from rural stakeholders included a strong emphasis on practical outcomes, of which the most significant are shown below. In this table, Yes shows the countries to which each theme certainly applies, and Yes ? shows other countries to which it might apply.

THEME – Practical outcomes	Armenia	Bulgaria	Georgia	Moldova	Romania	Turkey	Ukraine
Well-being of small-farming communities	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Future of mountain communities	Yes	Yes ?	Yes		Yes ?	Yes ?	Yes ?
The role of cooperatives	Yes		Yes		Yes ?		
Enabling young people to stay in countryside	Yes		Yes ?	Yes ?	Yes ?		
Diversification of rural economies	Yes		Yes	Yes ?	Yes	Yes	Yes
Links between heritage and tourism	Yes		Yes ?		Yes ?		
Dealing with high regional diversity	Yes		Yes		Yes ?	Yes ?	
Ethnic minorities, refugees, displaced people	Yes ?		Yes		Yes Roma		

This table explains why we chose, as the central practical theme of the Travelling Workshop, the well-being of small-farming communities, which is a salient concern in all the countries. Moreover, some of the other practical themes, found in many of the countries, are closely linked to this central theme. Many small-farming communities are found in mountain areas; the creation and work of cooperatives is a major element in programmes to meet the needs of small-farming communities; strengthening of rural economies, for example through adding value to farm products, can enable cooperatives to thrive; and all such actions can provide incentives to young people to stay in rural communities.

The following extracts from PREPARE’s situation reports provide a sense of the numbers of small farmers; the challenges which are faced by small-farming communities, notably those in mountain areas; the weakness of many rural economies; and the impact of the out-migration of young people from the countryside.

**“Armenia.** Of the national territory, 16% is arable land, 56% mountain pastures. Privatisation of ex-Soviet collective land has created 340,000 small farms, average size c.1 hectare, each split into small plots, many at subsistence level. Rural infrastructure is poor. Very little economic activity outside farming. Young people are leaving rural areas.

**“Bulgaria.** Agriculture is still a major part of the national economy, offering temporary or permanent employment to 1.3 million people. But these mostly work on farms of less than 5 hectares, with low incomes and low productivity. Employment outside agriculture is still rare in the rural areas. Rural infrastructure is poor outside the main settlements.

**“Georgia.** Georgia is a land of high diversity in topography, climate, and potential for agriculture, with wide mountain pasturelands and lowland arable, orchards and vineyards made fertile by drainage or irrigation. Lowland crops are highly diversified, and include a famous tradition of wine, now exported to 48 countries. 95% of Georgian farms are under 2 hectares, typically split into 7 or 8 parcels – a major challenge for modernising.

**“Moldova.** 2 million people (58% of the population) live in rural areas. Many depend on remittances from Moldovans living abroad, pensions or self-employment. There has been massive decline in number of people employed in farming. Privatisation of farmland created c.400,000 small farms in 1995 : after movement of people out of farming, there are now c. 200,000. Rural areas have poor infrastructure, low average levels of education. There has been some progress in development of rural tourism.”

**“Romania.** A large country, with highly diversified topography and ecosystems, including undisturbed forest on 27% of the land. Agriculture is a major factor in the national economy, with

30% of national workforce and 20% of GDP. Farm structures are highly polarised, with a few large and medium-sized farms and over 3 million small farms, average size 3.4 hectares. Large Roma population. Rural infrastructure mainly poor. Secondary and tertiary sectors very limited.”

“**Turkey.** 20 million people, more than a quarter of the population, still live in rural regions, and a high proportion depend on agriculture or other locally-based industries. In 2010, the farming sector provided 9% of national GDP, but about 25% of all jobs because of the high proportion of small farms. There is high ethnic diversity between rural regions, e.g. many Kurds in south-east Turkey and some Armenians in the north-east, near the border with Armenia.

“**Ukraine.** 31% of Ukraine’s population live in rural areas; and 70% of rural households are involved in small-scale farming. Agriculture contributes about 10% of Ukraine’s GDP and employs over 3 million Ukrainians (23 % of the national workforce). Privatisation and land reform created a new structure of landownership, with about 80% of all agricultural land now divided between about 7 million private owners, almost all of whom have received land titles. Two-thirds of these private holdings have been rented to others, so there are now effectively c.2.5 million farms.”

A report published by the Office for European Expertise and Communications in 2014 offers the following parallel comment on **Belarus** :

“**Belarus** currently suffers from depopulation of rural areas and small towns, a low-level income of the population living in the regions (with few exceptions), lack of social infrastructure and low quality of services provided to the population. Many districts are still loss-making, small and medium businesses develop slowly. Minsk and large cities remain the ‘centres of attraction’ for investments. Least-developed regions and local communities are not attractive for investors. .... Many enterprises of the agrarian sector, which often form the basis for the rural areas’ economy, are still alive entirely due to the state support. Generally across the country the contribution of small and medium companies into the Belarus GDP is low ...”

(Office for European Expertise and Communications 2014, “The analysis of the civil society sector of the Republic of Belarus concerned with regional and local development”, A.Sivagrakau et al. Minsk)

**Practical solutions.** The Travelling Workshop was designed to enable the multinational group of participants to focus on these issues which are shared between the eight countries. The places that were visited offered examples of practical solutions to the needs of small farming communities, including the role of cooperatives, land reform, management of mountain pastures, added-value enterprises such as wineries, tourism enterprises, other aspects of diversification of farm and rural economies, youth groups, investment in infrastructure, support for young farmers. They showed also the activity of civil society organisations, local authorities, Local Action Groups, government agencies and donors.



Interim conference in Tbilisi, Georgia



Visit to Gargar Cooperative, Armenia

### 3. The role of civil society organisations

**Rural civil society networks.** PREPARE is itself a partnership of national rural civil-society networks in 17 countries in the European Union and the Western Balkans. These networks have been created – often from the ‘bottom-up’ i.e. by the coming together of village-level associations or action groups – in order to express the voice, and to assist the self-help action, of rural communities. Some are long-established : others have been created during the last 10 years, often with help from PREPARE. They vary in formal structure, in activity and in their relations with government. Some undertake projects or programmes on behalf of the government. Some serve as the national networks for Local Action Groups funded through the LEADER programme. Many organise national Rural Parliaments at two-yearly intervals, to bring people together from all rural areas to discuss the actions which they can take, or wish to press the government to take, to serve the well-being of rural people. All of them are partners in the European Rural Parliament process, which is co-organised by PREPARE and two other European networks -the European Rural Community Alliance (ERCA) and the European LEADER Association for Rural Development.

PREPARE believes that civil-society-based networks of this kind can be a powerful force for good in promoting the well-being of rural people. They can provide a unified focus to express the interests of rural communities, to connect with government and to influence the policies and actions of governments and other rural stakeholders. It is for the rural communities and their representative organisations in each country to decide whether such a unified focus would be useful. PREPARE simply offers the example of its networks; is ready to support the creation and work of such networks; and can offer opportunities to civil society organisations to take part in its activities. Some organisations in the Black Sea countries have already attended PREPARE Gatherings or the European Rural Parliament.

**Civil society organisations in the Black Sea countries.** The Travelling Workshop enabled participants to focus on the role of civil society organisations in rural development, and to consider whether and how civil society networks could be strengthened or created in the Black Sea countries. Already, some of those countries are rich in civil society organisations, as shown by the following extracts from PREPARE’s situation reports. Organisations who were represented on the Travelling Workshop are underlined in these extracts.

**“Armenia.** A few large and effective NGOs, using funding from donors and able to work with government : not many other NGOs. PREPARE’s key contact is Development Principles NGO, which will inherit the long-standing and effective programme of support for farming organisations, cooperatives, rural youth and rural community leaders pursued by Heifer International, part of a major US foundation. Other NGOs work on similar themes, also including support to refugees. ICARE offers advanced education and undertakes research in the field of agri-business. The Center for Agribusiness and Rural Development (CARD) is a successor of USDA’s Marketing Assistance Program (USDA-MAP). CARD assists farmers in applying advanced agricultural technologies, supporting agricultural processing and the development of competitive food products for domestic and export markets, improvement of animal genetics and husbandry practices, etc.”

**“Bulgaria.** Bulgaria has an active civil society sector, accepted by government and willing to be active and assertive. Leading NGOs are National Association of Small Family Farmers and Food Producers; Association of LAGs (with 18 member LAGs out of a national total of 35); and Society for Territorial and Environmental Prosperity (STEP), set up in late 2014. STEP is acting as Bulgarian national partner for the European Rural Parliament.

**“Georgia.** Georgia has hundreds of NGOs or small local CSOs. Perhaps 20 of these count as major players at national or regional level, able to get funds from donors or international NGOs. There is no overall network, even of major NGOs. However, the Civil Development Agency (CiDA) has a network of c.50 regional CSOs, and itself runs a significant programme of action research related to rights of minorities and the needs of emigrants and their families. Also impressive are ISET Policy Institute, whose agenda includes promotion of agriculture and rural development; and ELKANA, NGO focused on organic farming and related issues.”

**“Moldova.** CONTACT, the National Assistance and Information Centre, reckons that there are over 1,000 active NGOs. It seeks to strengthen civil society, promote community development, public participation and transnational corporation. Pro Cooperare Regională has pursued many projects in agriculture, and is now active in rural development and keen to build a national rural NGOs network : it is national partner for the European Rural Parliament.

**“Romania.** There is a handful of national NGOs focused on rural well-being (e.g. PACT Foundation, Civitas Foundation for Civil Society, Centre for Rural Assistance) and some regional NGOs such as ADEPT, but no national NGO network. The Confederation of Peasant Associations aims to speak for small farmers. There is a National Federation of Local Action Groups.”

**“Turkey.** Turkey has many NGOs and foundations active in fields related to rural development. Among them, PREPARE has had fruitful contact with Heinrich Böll Foundation, Hüsni M. Özyeğin Foundation, Development Foundation for Turkey, Sürkal and the non-institutional network KKG, which holds annual meetings of NGOs, academics and other individuals involved in rural issues. Development Foundation for Turkey is national partner for the European Rural Parliament.

**“Ukraine** does not have a strong civil sector. The government appears to be willing to see such a sector emerge. The Development Strategy of Ivano Frankivsk region includes an aim to ‘promote citizens’ awareness and social activity’. In November 2014, the Council of Europe gathered civil society representatives from many regions to discuss the promotion of civil participation in decision-making in Ukraine. The National Ecological Centre of Ukraine is organising a first cross-sectoral round table for rural development stakeholders in Kiev in November 2016.”

The report (previously mentioned) by the Office for European Expertise and Communications offers the following comment on civil society organisations in **Belarus** :

“Despite the difficult conditions for the establishment and the existence of NGOs in Belarus, new entities are emerging with the idea of engaging communities in territorial development. Most frequently they are established with support from international programs and projects; but at the same time the initiatives of the local authorities aiming to support the organisation of such entities begin to come to the forefront. This also refers to the establishment of non-governmental organizations, foundations, centres for sustainable development, steering committees in towns and districts on various thematic areas, initiative groups, cluster entities.” (OEEC 2014)

#### **4. Partnership between civil society and government in rural development**

PREPARE is committed to the principle that rural development programmes and actions will be most effective if they are based on partnership between rural people and the government; and that this partnership can be greatly assisted by active cooperation between civil society organisations and governments. The idea behind this is very simple. The well-being of rural communities depends upon action by many stakeholders – individuals, families, farmers, enterprises, local associations, village councils, local authorities, public agencies, regional and national governments. The government sets the legal and fiscal framework for rural development. It may provide the major infrastructure, such as roads or electricity supplies, and crucial services such as health and education. But it does not cultivate the fields, harvest the crops, or maintain the village hall. These and many other functions lie with the people and the associations who represent and serve them. If there is to be harmony and coherence within the whole rural development process, then the people and the government need to work together. The role of civil society organisations is to speak for the people, to support their activity, and to act in partnership with the government.

The Travelling Workshop provided an opportunity to understand the structures which enable such partnership in Armenia and in Georgia. Examples of cooperation between civil society networks and governments were offered by the PREPARE partners from within the EU and the Balkans. They also described multinational networks between civil society organisations – the PREPARE Partnership itself, the Balkan Rural Development Network, the ALTER project for strengthening the capacity of civil society organisations in the Western Balkans. Leaders of two multi-national networks of governments working in the rural development field - the Regional Rural Development Standing Working Group in South East Europe (SWG) and the Carpathian Foundation – described their activity.

## Part 2. The Travelling Workshop

### 5. Concept, programme and participants

**Concept.** For the Black Sea Travelling Workshop, PREPARE was most fortunate to secure the enthusiastic and efficient cooperation of two leading non-government organisations – Civil Development Agency (CiDA) in Georgia; and Development Principles NGO in Armenia. These two organisations are briefly described on page 6 : some of their activities figure within the story of the visits in the two countries. They organised the field visits and conferences in each country, in close consultation with their Ministry of Agriculture. Holding the event in Georgia and Armenia gave the participants the chance to compare policies and actions in two different countries.

**Programme.** The Travelling workshop was a 5-day event, 23 to 28 October 2016. It included an initial briefing session, field visits and interim conference in Georgia, followed by field visits and concluding conference in Armenia. The programme is summarised below, and appears in detail at Annex 1.

Sunday 23 October	Arrivals in Tbilisi
Monday 24 October	Initial briefing First day of field visits in Georgia
Tuesday 25 October	Second day of field visits in Georgia Interim Conference in Tbilisi, Georgia
Wednesday 26 October	Travel to Armenia by bus, with briefing <i>en route</i> First day of field visits in Armenia
Thursday 27 October	Second day of field visits in Armenia Evening reception and dinner in Yerevan
Friday 28 October	Concluding Conference in Yerevan, Armenia Departures from Yerevan or by bus to Tbilisi.

**Participants.** Taking part in the whole Travelling Workshop were 30 people, including:

- representatives of civil society organisations in the 8 Black Sea countries
- representatives of Ministries of Agriculture from Belarus, Romania and Turkey
- experts from PREPARE partner organisations in England, Estonia, Hungary, Latvia, Poland, Serbia and Slovenia
- The Secretary General of the Regional Rural Development Standing Working Group for South East Europe
- Staff of CiDA and Development Principles NGO.

In addition, a number of individual farmers and representatives of farming organisations from Armenia took part in the field visits in Georgia; and a similar group of people from Georgia took part in the field visits in Armenia. The travelling workshop was indeed held within the framework of the “Cross-border Economic Development (CED)” project, co-funded by the European Union within the Eastern Partnership Territorial Cooperation (EaPTC) programme, with financial support from the C S Mott Foundation and the United States Peace Corps.

**Process.** For the field visits in Georgia and Armenia, the 30 participants were divided into two groups of 15, each group traveling in a separate minibus with guides and interpreters. The places visited were deliberately few in number, in order to allow sufficient time for the visiting group to understand each host enterprise or organisation and to have an effective exchange of ideas among the participants and between them and the hosts.

**Interim and Concluding Conferences.** The concluding half-day conferences in Georgia and Armenia were attended by a wider group of representatives of rural communities, civil society organisations, Ministries and donors. The aim of these conferences was to share the experience of the multi-national Travelling Workshop group with expert stakeholders in each country; to extend the multi-national exchange of ideas; and to draw conclusions about future networking and practical exchanges related to policy and action in the Black Sea region, focused on the well-being of rural communities.

## 6. Field visits in Georgia

The field visits in Georgia were to enterprises and communities in Kakheti and Kvemo Kartli regions.

### Kakheti Region

- Visit to Winery company “Kakhetian traditional winemaking” in Sagaretojo municipality
- Meeting with small farmers
- Visit to Kachreti Community Centre
- Meeting in Telavi with municipal and civil society representatives

### Kvemo Kartli region

Visits to :

- Agricultural Mechanisation Centre in Marneuli Municipality and talk with local producers
- Marneuli Food Factory, processing local products
- Bolnisi cheese production factory at Ratevani village
- ‘New Style’ dairy farm, Khatisopeli village, Bolnisi municipality

### Kakhetian Traditional Winemaking Company

The company was founded in 2001, and is one of the largest producers of wine and brandy in Georgia, exporting to markets all over the world. The winemaking process is based on old family traditions, combined with modern technology. The focus is on production of high-quality wine from unique Georgian varieties of grapes, plus brandy and traditional Georgian *chacha*. Wine is sold in glass bottles, and also in traditional handmade clay vessels. The modern winery, opened in 2013, has a production capacity of 12 million units a year.

In response to questions from the visiting group, the company director stated that most of the grapes they use are grown in Kakheti Region. 20% of the grapes are grown in the company’s own vineyards : the remaining 80% are purchased from small or medium-sized farmers, either directly by the company or by agents based in villages. These purchases are based on informal agreements, without long-term contracts. The company offers advice and help to some farmers, particularly in relation to the conservation of local vine varieties.

The visiting group was impressed by this enterprise, which is operating at high quality and bringing significant funds into Georgia and the region. It provides significant local employment for both men and women. For small farmers, it offers an outlet for the grapes that they produce at a base-line market price which reflects the company’s near-monopoly in the region. In the absence of long-term contracts, however, these growers face uncertainty about future income, which can also be affected by weather, crop diseases etc.



Kakhetian Traditional Winemaking Company

### **Meeting with farmers**

Meeting at Kachreti Community Centre with a group of local small-farmers – all gaining their main income from production of grapes – the visiting group sought their reaction to the bargaining strength of the Kakhetian Traditional Winemaking Company. They confirmed that the company does indeed have a near-monopoly. But they felt that the baseline market prices were fair. Moreover, they did have some other options for selling the grapes, because a number of small wine producers are operating in the region. The formation of a cooperative, which could itself produce wine from grapes grown by its members, is being considered. The meeting was striking in one further aspect, in that the answers to our questions largely came from an official of the Ministry of Agriculture, while the farmers were largely silent. They were mainly age 60 or more : when we asked whether they expected their sons to succeed them on the farm, two said Yes, the others No.

### **Kachreti Community Centre**

This fine modern building is one of a series of 40 such Community Centres created in villages around Georgia on initiative of the Georgian Ministry of Justice, with financial assistance from the European Union. The aim of these Centres is to enable local populations to gain access to a wide range of public and private services within their village, rather than having to travel to a larger town. The Centres act as mediators between the population and the government, and facilitate access to services through modern information technology. Central and local authorities, and also civil society representatives, can use the centres to communicate with the local population, for example when introducing new services or changes in legislation, and to raise public awareness of public services.

The Kachreti Community Centre was opened in 2014. It has a small public-sector staff. Also present are staff of a bank and of a communications company. Local residents can use computers installed in the centre. A small meeting room is available for use by local groups. The services provided through the centre include advisory services for small farmers, with periodic visits by expert staff.

The visiting group were truly impressed by this nation-wide system of decentralised access to public services, and the role of the centres in building the capacity of rural people and enterprises. This forms a striking contrast to the centralisation of public services which has followed local government reform in many other countries. It is a good idea !



Kachreti Community Centre



Meeting with farmers

### **Meeting in Telavi with municipal and civil society representatives**

This meeting with the elected mayor, head of Council (Sakrebulo) and local authorities of Telavi Municipality, together with representatives of Regional Civil Society Network, was focused on the practice of cooperation between the local authorities and civil society.

Telavi is the administrative centre of Kakheti region and the historical capital of the Kaheti kingdom (16<sup>th</sup>-18<sup>th</sup> century). Its municipal authority is one of 78 elected self-governments which emerged from the national process of regional reform in 2014. In Telavi area, there are two distinct local authorities - the City municipality with a population of 25,000, and a Rural municipality which serves a total of 26 villages. In each village, there is a representative of the Rural municipality who acts as the link between the rural community and the local authority.

The success story of this municipality is based on strong cooperation between the municipalities and the Regional Civil Society Network, which embraces about 40 civil associations and which was set up on the initiative of CiDA. The main fields of cooperation are advocacy, planning and participation in budgeting. The civil associations are able to submit proposals for projects to be financed from the municipal budget and implemented by the associations. These projects are focused on a range of topics, for example waste management and lifelong learning.

The local economy is focused mainly on production of wine and cheese, plus timber and chemical products. Growth in those businesses depends greatly on the availability of affordable credit; and on the building of social capital and human capacities, which is assisted by strong Universities in the region; and on effective marketing. The municipalities are aware of the need to improve water supply and other infrastructure.



The meeting in Telavi

### **Agricultural Mechanisation Centre in Marneuli Municipality, Kvemo Kartli Region**

Meganizatori LLC was set up in 2009 on the initiative of the Ministries of Agriculture and of Economic Development. It is a subsidiary of the Georgian Agriculture Corporation, and is one of 13 such mechanisation centres in Georgia. The creation of this network of centres was prompted by the government's realisation that farm machinery inherited from the communist era was inefficient, that modern machinery was essential to enable Georgian agriculture to catch up with other countries, but that small and medium-sized farmers could not afford to purchase modern machinery. The mechanisation centres were therefore set up to purchase modern machinery, to lease machines to farmers for their own use, and to offer services to farmers. These services include contract cultivation (for example ploughing, sowing and harvesting); advisory and training services; maintenance and repair of equipment; and modern machinery for companies which process farm products. The company has mobile brigades which offer services throughout the region. Machinery deployed by the company ranges from light to very heavy tractors and other equipment, so that each size of farm can find equipment suited to its need.

The visiting group was impressed by this nationwide service, which is well suited to assist small farmers as well as larger agricultural enterprises and processing companies.



Marneuli Food Factory



Agricultural Mechanisation Centre

### **Marneuli Food Factory**

This company, the largest food-processing enterprise in Georgia, was set up in 2007. It is focused on the production of crystallised fruit, pickles, processed vegetables, sauces, jams, preserves and other products. The raw materials of fruit and vegetables all come from within Georgia, grown by a partner company Marneuli Agro (which specialises in cucumbers and tomatoes) or by over 150 farmers based in different regions of Georgia. At present, most of the products are sold in Georgia, mainly through supermarket and retail chains, with over 80% going to the capital Tbilisi. Small volumes are exported to Greece, Cyprus and the USA. The company sees potential for growth in exports, but recognises that this will demand increased supply of raw materials and effective marketing.

In answer to questions, the company stated that it does not have long-term contracts with their suppliers, who therefore face uncertainty in finding a market for their crops. The company does offer advice on cultivation, and exercises strict quality control on crops that it buys. The visiting group recognised the importance of this company, based in a rural area, creating employment and adding value to crops produced by farmers. It would hope that, as the company's production grows, it will extend the purchasing of raw material to further farmers, move into a pattern of long-term contracts and technical support to those suppliers, and promote employment opportunities for young people both within the company and among its suppliers.

### **Bolnisi cheese factory, Ratevani village**

The Bolnisi cheese factory started working in a single room in 2012, and has grown quickly into the current successful enterprise, still owned by the founding family. Its growth has been assisted by support from the Government and learning opportunities in Germany and Estonia. The aim of the owners is to increase the volume of production and to raise quality standards to European Union levels so the company can enter the EU market.

The company now has 20 employees, including apprentices who can gain work experience in the factory. The milk is purchased from local farmers. The owner stated that continuing effort is needed in order to improve the quality of milk in the area and to eliminate cheating by the suppliers. The cheese is mainly sold through retailers : the family brand is recognised, and provides some competitive advantage.



Bolnisi Cheese factory

### **New Style' dairy farm, Khatisopeli village, Bolnisi municipality**

This medium-size farm is recently established. The owner, Lepter Kutsia, used his own money to buy 22 hectares of land. He then took advantage of the government's credit support scheme - whereby the government pays 11% of the 13% interest on loans - to buy his current herd of cows and pigs : this type of farm is recognised as a priority for state support. He has also had veterinary support from the local authorities. He is now operating with just 60 cows, which is the current capacity of his buildings : but he intends to expand the buildings and to build up the herd by importing European breeds to a total of about 420 cows. To achieve this total, he will need to secure further land, which is available for renting locally.

In response to questions from the visiting group, Mr Kutsia said that he cooperates locally with people who produce hay and straw or who work in the milk processing factory. He currently employs six people, mainly focused on building work, and expects to add 30 new jobs as the enterprise grows : local people appreciate the opportunities for work on the farm. He is optimistic about the prospects for the dairy business : he can sell 1 litre of milk for 80 lari (about 40 euro cents).



Lepter Kutsia in his modern cow-shed

## 7. Field visits in Armenia

The field visits in Armenia were to the following enterprises and communities in Lori and Gegharkunik regions :

- Stepanavan Farm and Veterinary Service Centre
- Dustr Melania LLC Cheese factory, TashirTown
- Gargar Cooperative and Village Council
- Tsovagyuh Community and Cooperative
- Hayrivank Farm and Veterinary Service Centre, and Hayrivank Village Council
- Sevan Rural Youth Club
- Tsakhkunq Restaurant and Guest House

### Stepanavan Farm and Veterinary Service Centre

This Farm and Veterinary Service Centre (FVSC) is one of a network of such Centres operating in many regions of Armenia. It was established by the Center for Agribusiness and Rural Development (CARD) Foundation in partnership with Heifer Armenia and with funding from several international donors. It is run as a private enterprise to provide services to local farmers, veterinarians and enterprises within a region of 25 communities. It provides technical advice and training for farmers, for example on animal husbandry, land cultivation, horticulture, and methods of milk production in order to improve the quality of milk.

In answer to questions from the visiting group, the Head of the Centre Mr Armen Jaghinyan said that his most significant service is artificial insemination, in order to raise the quality of livestock. For this purpose, the Centre buys sperm from USA, Czech Republic and Slovenia. It inseminates about 2,000 cows each year, at a price which small farmers can afford. The farms in the area are mainly small, typically having between five and 10 cows per farm. Some of the farmers supply milk to factories, but many still do their own processing.

The FVSCs in different parts of Armenia also serve as hubs for business and development projects. A key example of this is the creation of cooperatives of private veterinarians, who cooperate in the purchase of modern equipment and tools and in their communication with government and state structures.



Stepanavan Farm and Veterinary Service Centre

### **Dustr Melania LLC Cheese factory, Tashir Town**

This cheese factory was founded in 1995 as a family business by the married couple Rubik and Galina Harutyunyan. They started on a small scale, buying milk from about 15 local farmers and processing 18 litres of milk each day. Over the last 20 years, with support from the US Department of Agriculture (USDA) and the Center for Agribusiness and Rural Development (CARD), the owners have pursued a succession of projects to improve the quantity and quality of milk and of cheese production. The enterprise is now a cooperative, headed by Mr Harutyunyan.

Today, the company buys milk from over 200 farmers from 10 villages, processes more than 20,000 litres of milk each day, and produces 8 different types of cheese to a total of 300 tons a year. It is the first dairy enterprise in Armenia to operate according to the high hygiene and food safety standards developed by the CARD Food Safety team, as part of a USDA initiative to enable the Armenian industry to become ready for export of high quality products. The high quality of the collected milk, and the use of both historical cheese-making traditions and modern technologies, enable the factory to achieve high standards. Much of the cheese is now exported in containers to USA, Russia and elsewhere.

Also with support from USDA and CARD, Dustr Melania set up a Master Cheese Makers' School, where Armenian Agrarian University students and Georgian cheesemakers receive intensive theoretical and practical training. This has contributed to the creation of other cheese-making enterprises in both Armenia and Georgia.



Dustr Melania Cheese factory

### **Gargar Cooperative**

The NAREK-1 consumer cooperative in Gargar community was founded in 2003 on the initiative of Karen Zalinyan, who is currently chairman of both the Cooperative and the Gargar Village Council. He is a former leader of the Communist league of youth, graduate of the Agrarian Academy, and ex-army officer. He was a member of one of the five cooperatives in the region which were set up on USDA initiative but failed. He then responded to a USDA Call for proposals for the creation of agriculture credit clubs, and was able to set up the NAREK-1 cooperative.

The cooperative has legal status as a non-commercial, farmer-owned organisation. It now has 25 members, men and women, contributing land and/or machinery and/or labour. Profit, which is mainly generated after the autumn harvest, goes to the members in accordance with a contribution of land, machinery or labour. The annual turnover is more than 15 million AMD. The cooperative provides services to the farmers of Gargar community and neighbouring villages. This includes collecting and cooling milk for sale in bulk; cattle breeding, with artificial insemination service; and support for cultivation and sale of crops (potatoes, wheat and high value non-traditional vegetables). With support from Heifer Armenia and Development Principles NGO, the cooperative has irrigated 5 ha of land

for horticulture and created a greenhouse which is used to grow broccoli seedlings for planting out on this land.

At the time of the field visit, the cooperative was completing the construction of storage and freezing rooms for vegetables and for potatoes, in order to enable sales during the high-price spring season. The new facility should enable an extension of the arable area cultivated by cooperative members. A group of women members of the cooperative have started an enterprise focused on adding value to vegetables. They are already growing tomatoes, cucumbers and other crops in the greenhouse; and they propose to move on to the production of broccoli, processed into high-nutrient baby-food.



Karen Zalinyan with participants in the greenhouse



Members of the women's group

### **Gargar Village Council**



The Gargar Cooperative, described above, has become a driving force in the village, raising awareness of the need for improved infrastructure such as roads, electricity and water supplies. As a result, the cooperative leader Mr Karen Zalinyan was elected chairman of the village council. He described to the visiting group his concern about the loss of young people, the over-dependence of the community on remittances from workers in Russia (where wages are falling), poor quality infrastructure and narrow local economy. The Village Council is developing a four-year plan,

aiming to diversify that economy and improve local services. Key aspirations are to develop rural tourism, add value to local products, improve the water supply, build a house of culture, enable youth to study abroad, and create a kindergarten.

The visiting group were much impressed by the leadership and vision of Mr Zalinya, the enthusiasm of the cooperative members whom they met, the brave actions that have already been taken, and the courageous vision for the future of a community which is determined to improve its own well-being in difficult circumstances.

### **Tsovagyuh Community and Cooperative**

The village of Tsovagyuh is set in the mountains, about 2,000 metres above sea level, not far from Lake Sevan. It has a population of 4,324, living in 1,135 households. The arable land, which adjoins the village and totals about 1,150 hectares, was run during Soviet times

as a collective farm. It was divided at the time of privatisation in 1991 among all the households, each ownership (about 1 ha. on average) being split into three or four small rectangular plots in different fields. Each household also had grazing rights on the common pastures. This was a community of subsistence farmers, focused mainly on livestock, including about 1,500 sheep owned by about 200 households; using the pastures for communal grazing (overseen by shepherds); and producing wheat and other arable crops mainly to feed to their animals.

In recent years, it became clear that the pattern of land ownership established by privatisation was grossly inefficient in terms of modern arable farming, and that the pastures were suffering because of ill-managed grazing. In 2013 the Tsovagyuh Cooperative was established, with financial support from Heifer International, under the leadership of Vahram Gevorgyan, a professional agronomist who is now both chairman of the cooperative and mayor of the community. It is a legal organisation under Armenian law, controlled democratically by its members, who elect a chamber of 9 people to manage the activity. About 350 households have joined the cooperative.



Meeting with Vahram Gevorgyan, Cooperative chairman and members

Through the CARMAC project, Heifer provided training, and funded the purchase of tractors, balers, grass-cutters and other equipment on a shared basis of funding. Cultivation of the arable land is now done on a unified basis, which increases efficiency and minimises the risks and inequalities of soil quality. The land is ploughed and seeded on the basis of single large fields, at no immediate cost to the owners because of the CARMAC funding. When the crop is harvested, the yield (or its money value) goes to the owners in proportion to their plots, and payment for the cultivation is levied on the owners, with non-members of the Association paying 15% more than members. The cultivated area has increased from 200 hectares of low-value grain before the cooperative was set up to 600 hectares now, including 100 ha of buckwheat, a high-value crop which was previously imported from Russia.

The cooperative also has responsibility for management of the pastures, including those in the high mountains. In order to run these in a modern way, and to avoid problems of over-grazing and deterioration of habitat, the cooperative is investing in roads and water points, and ensuring rotational grazing.

The community is now seeking to diversify its economy. With support from the ENPARD programme, it is building a facility to process and package buckwheat collected from the whole of Gegharkunik county. One group of farmers is producing buckwheat honey. Development of tourism is now being considered, using the natural landscape and Lake Sevan to attract people to the village. The cultural house is being reconstructed, and the number of children is increasing. This optimism reflects the degree of trust which has been established through the democratic basis of the cooperative and the skill and character of Mr

Gevorgyan. Tsovagyuh Cooperative and Community provide an inspiring example of how to modernise a small-farming economy and community without losing its essential character.

### **Hayrivank Farm and Veterinary Service Centre (FVSC), Gegharkunik region**

The Centre is part of the nationwide system of FVSCs created within a USAID-funded project for the development of private extension services in Armenia. As described earlier by reference to the Stepanavan FVSC, the centres are intended to be regional hubs, providing technical advice and training for farmers. The Hayrivank Centre is run on lease by Simon Martirosyan, who is a qualified vet and private entrepreneur. With six colleagues, also qualified, he provides artificial insemination (AI) and veterinary services, plus advice on farm management, fodder production and related issues to about 50 large farmers and 2,000 small farmers in 12 surrounding villages. The Centre hosts regular workshops and training programs led by Armenian and foreign experts. Mr. Martirosyan's wife manages a pharmacy for veterinary medicines and other farm supplies within the Centre.

The visiting group expressed appreciation of the services which the Centre offers to farmers large and small, including AI at €10 a shot which small farmers can presumably afford. Having no opportunity to interview small farmers, the group was unable to assess whether other services offered by the Centre are of value to them. The meeting with members of the Hayrivank Village Council, described below, suggested that the Centre is not meeting the needs of some local small farmers who are engaged in horticulture, since the main focus of the Centre is on livestock and animal husbandry..



Hayrivank Farm and Veterinary Service Centre



Mr and Mrs Martirosyan in the pharmacy

### **Hayrivank Village Council**

The visiting group had a useful short meeting with members of the Hayrivank Village Council. They said that their village lacks roads, street lights, a kindergarten and other services. They stated that local farmers lack effective advisory services, good-quality seeds and access to a mechanisation centre. They described much of the land, which lies at 2000 metres above sea level and was ill-managed during the communist period, as 'dead', not responding to cultivation or fertilisers; and they invited the visiting group to advise how this might be addressed. The group responded by describing systems elsewhere, for example in Serbia, whereby the government or universities offer detailed soil analysis and skilled agricultural advice related to the specific conditions of physically disadvantaged areas.

The visiting group was struck by the apparent lack of effective links between the needs of local farmers and services offered by the private-sector Farm and Veterinary Service Centre; and by the apparent lack of dynamism in the Village Council, which contrasted strongly with what they had seen at Gargar. Hayrivank clearly needs investment in village infrastructure, help in soil analysis, an effective agricultural advisory service ... and, in order to secure those things, more dynamic leadership and relevant support from local, regional and national authorities. The group noted that local government elections had taken place a week before

the group's visit and that all members of the Village Council were newly elected and had not previously been engaged in local government : this may explain the lack of dynamism that we observed.

### **Sevan Youth Club**

Sevan Youth Club is one of an Armenian network of 29 rural youth clubs created on the initiative of Heifer International Armenia and now supported by Development Principles NGO. Together, these 29 clubs are attended by more than 2,000 youngsters aged 10 to 17 years, who are enrolled in secondary and high schools throughout the country. Activity is focused upon personal development of these young people, using an adapted version of the 4H methodology introduced by the USDA extension program in the early 1900s. This adapted version is branded as the Youth Empowered for Self-Reliance (YES) approach for youth clubs in rural communities.

Members of the Sevan Youth Club, which meets in its own room within a rather gaunt community school, offers vocational training and extra-curricular education in a choice of 7 thematic areas. These include animal husbandry, ecology, health, civic education, logical thinking, journalism, and business planning. In addition to in-class training, the members take part in individual and group projects. They develop skills in seeking solutions to community development challenges.

The visiting group was unable to meet members of the youth club, because the visit coincided with state exams at the School. However they did meet the club leader, the head-teacher of the community school, some of the staff who lead training in specific themes in the youth club, and two impressive alumni of the youth club - Artur Melkonyan; and Metaqsiya Matevosyan a young woman who took up beekeeping while at the Youth Club and has now returned to the locality with the intention to run her own beekeeping business. The club leader said that some alumni do return to work on their family farms or in other local trades after education or early careers elsewhere. However, the Sevan area lacks a diversity of jobs, so most alumni are lost to the locality. The visiting group concluded that the Youth Club is clearly offering personal development of high value to the young people; that this is a significant contribution to the national need for capable citizens; but that rural areas such as Sevan cannot retain young people in the local area without wider efforts of local development, including job creation and improved infrastructure.



Alumnus Artur Melkonyan; teachers Lilit Hayrapetyan, Luiza Khachatryan and Lilya Khandanyan; and leader Ovsanna Sahakyan, Sevan Youth Club

## **Tsakhkunq Restaurant and Guest House**

Tsaghkunq village, not far from Lake Sevan in Gegharkunik region, has a narrowly-based economy focused mainly on small farms, high unemployment and limited opportunities for young people. Like many other communities in rural Armenia, it needs other sources of income and a diversified local economy. This village is fortunate that one of its sons has come back to the village after learning his trade overseas, and has created a thriving enterprise which – through his own generous spirit – contributes more widely to the well-being of the village.

Yura Sargsyan grew up in Tsaghkunq village. After leaving school, he studied and graduated at Yerevan Polytechnic Institute. He then trained as a chef and gained experience in Armenia and other countries. Inspired by a village guesthouse in Cyprus, he decided to return to the village and to renovate his uncle's house which was then empty. In 2011, he and his wife Ani Mkrtychyan opened the restaurant and guesthouse. Visitors come to enjoy the high-quality catering and the fine scenery in the Sevan region. Yura runs the enterprise in a way that benefits others in the village. Each year he takes up to 10 young people to help in the kitchen – a form of apprenticeship which may help them to choose a career. He generates income for others in the village through overspill of guests to six other guesthouses, and through contracts to local people to collect mountain herbs or to produce *lavash* bread, jam, cheese, eggs, chickens and other consumables. In total, these contracts bring about \$40,000 a year into the local economy.

Yura Sargsyan plays an active part in the regional project 'Promoting Innovative Rural Tourism' project funded by the European Union and implemented by Heifer Armenia in cooperation with partners from Georgia, Turkey and Bulgaria. This project, focused on the development of tourism as a new sector in the local economy, offers training in business management, marketing and other skills to tourism enterprises in the area. It includes exchange visits by tourism entrepreneurs in the four countries, learning from each other.



Meal at Tsakhkunq Restaurant and Guest House

## 8. Main contributions at Conferences

The conferences in Tbilisi and Yerevan included significant contributions by Ministers and leading stakeholders from Georgia and Armenia, and prepared statements by other participants in the Travelling Workshop. These speeches complement the findings from the field visits, and are taken into account in drafting the Conclusions from the Travelling Workshop.

### **Briefing Conference in Tbilisi**

#### **Policies of the Government of Georgia**

*Cocha Tsopurashvili, Deputy Minister of Agriculture, Georgia*

The Minister offered a summary of the key challenges in the field of rural development in Georgia, and of Government policies and actions in this field, working in cooperation with donors. The economy is becoming more transparent and open. At present, Georgia only produces 20% of the food that it needs: the other 80% is imported. The government wishes to reverse this ratio, to protect Georgia's food security, and to increase the export of farm products to the EU, Turkey, China, Iran and elsewhere. The following measures are being pursued

- Agricultural extension services are being developed, in order to increase the knowledge of farmers so that they can increase the quantity and improve the quality of their products. Georgia needs to catch up with other countries in this respect. For example, production of potatoes has been raised from 8 to 16 tons per hectare, but this is still way behind farmers in Turkey who can produce up to 50 tons/ha.
- Soil amelioration is needed. In eastern Georgia, the area of irrigated land has already been increased from 35,000 to 116,000 hectares, and the aim is to increase the total to 200,000 hectares. In western Georgia, the need is for drainage schemes
- Research and technical development are urgently needed in order to ensure the safety of food products; to raise veterinary standards and procedures; and to meet phytosanitary obligations imposed by the European Union
- Research is needed, with help from foreign experts, into the expected impact of climate change, the resilience of endemic cultures such as the long-established Georgian wine industry and the potential for expanded production of olives or other products
- Cross-border cooperation with Armenia offers significant potential, for example in the field of fisheries.
- The government recognises that rural development is wider than agriculture, and is a big challenge for Georgia. By the end of 2016, a Rural Development Strategy will be completed, in the context of ENPARD 2, through cooperation between the ministries of agriculture, economy and environment. This Strategy is complementary to the long-standing activity of the Ministry for Regional Development and Infrastructure, which oversees a cascade of national, regional and municipal Development Strategies, Programmes and Action Plans, including significant investment in rural infrastructure.
- Three pilot projects have been undertaken, with a focus on integrated rural development, and their results will be used in shaping a wider policy.
- The wide geographical and climatic differences between regions in Georgia mean that specific policies must be developed for each region. For example in Kalkheti region, a pilot project has shown that the climate is suited to production of peaches, which will require specialist warehousing facilities.

In closing, the Minister recognised that Georgia has lost much time since independence in setting up an effective system of support for agriculture and rural development. Local authorities and civil associations have a significant role to play in the processes of rural development, which are now urgently needed

## **Interim Conference in Tbilisi**

### **The role of national and multi-national networks**

The Interim Conference in Tbilisi included a series of short presentations related to the role of national and multi-national networks in rural development, with examples from EU member states, Western Balkans and Black Sea countries. The aim of these presentations was to provoke thinking about the potential for such networking within and among the Black Sea countries, and between them and other European countries.

#### **National rural civil-society networks : example of Estonia *Anneli Kana, Kodukant***

Kodukant, the national village association of Estonia, is one of the earliest examples of a national rural civil society network to be set up in a country which was not then a member of the European Union. It is presented as simply one example of a type of organisation of which there are now more than twenty in Europe. It is based, like many of those organisations, on participative (rather than elective) democracy at the village level.

Kodukant was set up in 1997 as a sequel to the holding of the first 'Maapaev' or national rural Parliament. That event was itself a response to the upwelling of concern and activism at village level, following the radical changes in the rural economy which followed independence in 1991. The campaign for independence had itself been greatly inspired by the action of rural people, who were among the 2 million participants in the 'Baltic Way' human chain of August 1989. But the collapse of collective farms and related enterprises after independence caused heavy loss of rural jobs and movement of many people into the cities. The spontaneous creation of village action groups, and then of associations at county level, led to the holding of the Maapaev and creation of Kodukant as a national Association, supported by 15 County Associations and a wide membership at village level.

Kodukant's activities include training and capacity building for local groups; advocacy on behalf of the rural population; projects funded by government; and the organising of the Maapaev every second year. It has a support group of Members of Parliament. It recently launched a programme "Back to the countryside", focused on collecting and sharing information about empty buildings and available jobs in the rural areas. It has supported the Co-habitation law to permit same-sex unions. Kodukant works closely with the Estonian LEADER Union, which has 26 Local Action Groups in membership; with the official National Rural Network, set up by the Ministry of Agriculture; and with leading national associations, including that for rural tourism, that for small and family farms, and that for young farmers.

#### **Multi-national rural civil-society networks : example of the Balkan Rural Development Network *Dragan Roganovic, Serbian Rural Development Network***

During the decade 2007 to 2016, national rural civil-society organisations were created in all the former Yugoslav countries, with encouragement and support from PREPARE and also from the Standing Working Group of governments in the region (SWG, see description below). Representatives from these organisations attended the annual PREPARE Gatherings, which during those years were usually held in one of the Balkan countries. They saw the benefits of learning from each other, and of working together to influence the governments in the region, at a time when these countries were making institutional changes in preparation to join the European Union.

The outcome was the creation in 2013 of the Balkan Rural Development Network (BRDN), which now comprises the rural development networks in Bosnia and Herzegovina, Croatia, Macedonia, Montenegro and Serbia, plus the recent addition of new Networks in Albania and Kosovo. BRDN enables its members to exchange ideas, cooperate across borders, and relate collectively to the governments in the region. All the members except the Kosovo network are also members of PREPARE. They contributed substantially to an ambitious multi-national event in April 2014, jointly organised by PREPARE, SWG and the TAIEX unit of the European Commission, working with the authority of Agriculture Commissioner Dacian

Cioloş. This event, 'Empowering Rural Stakeholders', included travelling workshops and conferences in Serbia, Montenegro and Macedonia, with participants from both governments and civil society drawn from all the Western Balkan countries; a concluding conference in Brussels; and publication by the European Commission of the report, 'Empowering Rural Stakeholders in the Western Balkans'.

Up to the end of March 2015, the activity of BRDN was substantially funded by SWG. This funding then ceased, and the BRDN partners were obliged to seek funding elsewhere. In mid-2015, in cooperation with the Development Foundation for Turkey, they submitted a bid for funding under the European Commission's Civil Society Facility for a programme of capacity-building, networking and advocacy. The programme is entitled ALTER (Active Local Territories for Economic development of Rural Areas). In late 2015, the Commission approved a grant of €1.1million as 90% funding for the three-year programme. This will help greatly to strengthen the capacity of the partner networks to manage their work in a professional way, to secure long-term financial stability, to undertake training and advocacy, and to act as intermediary bodies implementing community-level development and strengthening participatory approaches. The close links between those networks and the wider group of partners within PREPARE will enable that wider group to contribute to, and to benefit from, this significant project. The inclusion of Turkey provides a valuable link to PREPARE's Black Sea initiative.

Regional cooperation between governments in rural development in South East Europe.  
*Boban Ilic, Secretary General, SWG*

The Regional Rural Development Standing Working Group in South Eastern Europe (SWG) is an international intergovernmental organisation, consisting of government institutions responsible for agriculture and rural development in Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia and Kosovo. The ministries of agriculture from Austria, Bulgaria, Croatia, Germany, Hungary, Italy and Slovenia, plus the Autonomous Province of Vojvodina in Serbia, have observer status. SWG's work is managed by its Secretariat, based in Skopje, Macedonia.

SWG's aim is to promote innovative and sustainable agriculture and rural development through regional co-operation, in order to improve rural livelihoods in the named countries. Its mission is to increase collaboration among those countries, by means of networking, capacity building, policy analysis and information. It seeks to improve the common understanding of agriculture and rural development policies; to promote improvement of implementation systems in this field; to initiate cross-border cooperation; and to identify and share good practice. SWG's regional projects include

- the creation and support for rural development networks, including the Balkan Rural Development Network described earlier
- Streamlining of agriculture and rural development policies
- Area-Based Development, which embraces a series of practical cross-border projects to boost the economy of weak regions in the member countries
- Sustainable development in river-basin areas
- Strengthening the farm and food sector in the region, with a focus on food safety standards and an increase in the volume and value of trade
- Support to the EU reform process in agriculture and rural development sectors
- Rural development via natural resource management.

The Carpathian Foundation

*Sandor Koles, former Director of Carpathian Foundation, now chair of Carpathian Foundation Hungary*

The Carpathian Euro-region, which embraces significant parts of five countries – Hungary, Poland, Romania, Slovakia and Ukraine – was recognised by the Council of Europe in 1993 as the first such cross-border Region. It has a combined population of 16 million. The

territories involved are all peripheral regions within their countries, lying on traditional trade routes, rich in heritage, with ethnic, cultural and religious diversity, strong intellectual capacities and traditions of higher education, and aspirations for a flourishing future. Taken as a whole, the Euro-region embraces high diversity in cultures, religions and nationalities.

The Carpathian Foundation was set up in 1995, with funding from the East West Institute and the C S Mott Foundation which has totalled about \$20 million, to promote multi-national cooperation within the Euro-region. It has pursued a number of programmes, including Cross-Border Cooperation; promotion of integrated rural development, with a strong LEADER component; a multi-national research programme; a cultural heritage programme; and Romanet, focused on the well-being of the Roma community in the different countries. More than 2,000 CSOs and municipalities are involved in these various programmes. After Hungary, Poland and Slovakia joined the European Union in 2004, there was some loss of focus, with the national governments seeking to pursue the activities previously led by the Foundation. More recent years have seen the rise in anti-democratic tendencies, notably in Hungary and Poland; and there has been need to re-focus the Foundation towards a Carpathian Civil Society Platform.

The Carpathian Foundation's experience points towards the importance of '4 Cs', namely

- competency, for example the ability of local governments to join international activity
- complementarity, whereby different regions support each other to create a sum greater than the parts
- confidence i.e. trust between different organisations which enables them to cooperate effectively
- cooperation on very concrete activities.

Above all, the Foundation's experience demonstrates the high value of cross-border cooperation, avoiding conflict between regions and nations.

#### National Rural Parliaments

*Goran Šoster, Slovenian Rural Development Network and President of PREPARE*

The most striking expression of participative democracy (as described by Anneli Kana) is the national rural parliament, by which people from rural communities come together to celebrate rural life, to debate rural issues and to meet leading politicians. The first national rural parliaments were held in Sweden in the 1990s, followed soon by Estonia and others. The Swedish rural parliaments, held every second year, each time in a different regional centre, are the most ambitious in scale, with up to 1000 people present, speeches by Ministers, and an award for the Village of the Year. At the most recent 'Maapaev' or rural Parliament in Estonia, the President of the Republic was present, together with nearly 400 participants, a strong international delegation, and a remarkable model village made out of bread. This year's rural Parliament in Latvia was a three-day event, linked to the country's presidency of the EU and including a travelling workshop and a multi-national forum. The rural parliaments in Finland, the Netherlands, Lithuania and Slovakia are each one-day events, focused on exchange of ideas about rural issues. Slovenia has held three national rural parliaments within the last four years, of which one was attended by the Minister of Agriculture and another by the President of the Republic. The last two years have seen the first national rural parliaments in Scotland, Croatia and Bosnia & Herzegovina. 2017 is expected to see a larger number of national rural parliaments than any previous year.

#### European Rural Parliament *Michael Dower, ERP Joint Coordinator*

The European Rural Parliament is a pan-European campaign which seeks to express the voice of rural Europe; to articulate the concerns of rural people; and to promote self-help and action by rural people, in partnership with civil society and governments. It was initiated by PREPARE and the European Rural Community Alliance (ERCA), building upon the model set by national rural parliaments. The first European Rural Parliament was held in November 2013 in Brussels, with 140 people participants from 30 countries. Building on the

network thus created, PREPARE and ERCA invited the European LEADER Association for Rural Development (ELARD) to join them as co-initiator. Working together, they invited national civil society organisations in 36 countries to run in 2015 a matching series of national campaigns to gather an “upward cascade of ideas” from rural people.

These ideas were synthesised in each country into a national report, for use by the national partner in its action and advocacy on behalf of rural people. The full set of national reports was then synthesised, at European level, into a report “ALL Europe shall live”, published on the European Rural Parliament website. That report formed the basis for the European Rural Manifesto which underwent widespread discussion in the autumn of 2015 and was finally, after intense debate, adopted at the Second European Rural Parliament, held at Schärding in Austria in November 2015 with 240 participants from 40 countries, including six participants from Black Sea counties who also took part in this Travelling Workshop

The European Rural Manifesto has been translated into 27 European languages and widely distributed. It forms an agenda for advocacy and action at European, national, regional and local level. The beliefs expressed in it are the starting-point for the current third phase of work, which will climax in the Third European Rural Parliament to be held in October 2017 in the Netherlands. This third phase includes a large number of national rural parliaments; and a series of multi-national thematic projects focused on specific aspects of the Manifesto. All the Black Sea countries are welcome to take part in the campaign.

#### Regional Civil Society Network in Georgia *Zviad Devdariani, Director, CiDA*

The Civil Development Agency (CiDA) is based in Rustavi, which has a strong Azerbaijani population. CiDA’s programme has been focused on how to integrate national minorities, working closely with local and regional civil society organizations (CSOs). Two years ago, it brought together 54 different regional CSOs in Georgia to form the Regional Civil Society Network. The members of this network are active organisations, working at local level with specific beneficiary groups such as refugees, youth and women, and aiming to give them a voice, to share experiences and to help each other. Georgia suffers from a lack of connection between organisations at national level, including the government, and people at local level. Moreover, there are only weak links between local CSOs and the business and donor communities.

The point of the Regional Civil Society Network is to address these weaknesses, by providing a voice for civil society at national level and a forum within which CSOs can come together and shape a common agenda. In this way, CiDA provides a bridge between local and national CSOs, in a way which is not driven by the agenda of donors. The voice of civil society is becoming stronger, and the Network is also promoting training. Following discussion with the Network, the EU Delegation has – for the first time – embraced the role of civil society in Georgia in the ‘EU Road Map’ : this means that future Calls for Proposals must permit involvement by CSOs. The Network is pursuing further projects, including a CSO Web Portal to provide easy website access for CSOs. This will include a Transparency Declaration for CSOs, in order to rebut charges by pro-Russian propaganda that all CSOs are lackeys of the West. The Network takes part in national debates about regional and local development; and has pushed the government into effective public consultation on the Rural Development Strategy, insisting that public authorities must be open to challenge by citizens and CSOs.

#### Rural Development Networking in Armenia and the Black Sea Basin region *Anahit Ghazanchyan, Heifer International/Development Principles NGO*

Heifer International has been working in Armenia since 1999, with a focus on smallholder farming communities. Its activity has now been inherited by Development Principles NGO. A key element in the activity has been the creation of a number of networks, each of which is focused on the particular group or issue. These include networks of professionals, for

example veterinarians; of teachers and youth educators ; of community leaders; of cooperatives; and of rural youth clubs. These networks provide a connection to the grassroots, and a means of mutual support within each network. Some of the networks are also multi-national : for example, both the network of rural tourism industries, and the network of rural youth, have members in Armenia, Georgia, Turkey and Bulgaria. Representatives from all the different networks come together in an annual Rural Forum : this could evolve into an Armenian National Rural Parliament, with support from the European Rural Parliament team. Similarly the annual Rural Youth Forum could evolve into an Armenian Rural Youth Parliament. Anahit Ghazanchyan attended, and gave a keynote speech at, the second European Rural Parliament, and was also present at the Swedish Rural Parliament in May 2016.

### **Concluding Conference in Yerevan**

#### Ministerial welcome

*Robert Markaryan, Deputy Minister of Agriculture* expressed a warm welcome to the Travelling Workshop participants, and to the Armenian stakeholders who were attending the conference. He noted, and endorsed, the focus on the well-being of rural communities, the role of civil society organizations and the cooperation between them and governments. He said that the government supports the need for partnership between public, private and civil sectors in the field of rural development. He paid tribute to the work of Heifer International.

#### Policies and actions of the Armenian government

*Vardan Urutyun, General Director International Center for Agribusiness Research and Education (ICARE), Armenia*

ICARE provides high-quality education and training in agriculture and related fields, with a major focus upon agribusiness, agri-tourism and wine production.

In Armenia, the State budget is under severe pressure, because of the closed borders with Turkey and Azerbaijan, consequent difficulties in international trade, and coping with refugees and border conflicts. Only 2.2% of the state budget (29.7 billion AMD) has been devoted to agriculture, and this amount is falling. Further spending - roughly 40% of the total flowing into rural areas - comes from donors or credit. Expenditure is focused upon :

- rural infrastructure and capacity building, for example through the CARMAC programme and the World Bank : this includes improved management of mountain pastures, and the strengthening of agribusiness value chains
- food safety, for example through laboratory analysis of fish products and honey destined for the European market
- technical support to farmers, for example in plant breeding, livestock improvement and veterinary services
- financial support to farmers, for example subsidised prices of inorganic fertilizers and diesel fuel.

Since 2010, the Ministry of Agriculture has had a national strategy for agriculture and rural development, recently updated to cover 2015-20. The current strategy has a strong focus on promotion of cooperatives in the small-farming communities and mountain areas. There is a Public Council advising the Ministry of Agriculture and a Civic Cooperation Network working with the Government. Important in the policy agenda are :

- the 2010-20 programme for efficient land management
- the new law for promoting agricultural cooperatives
- the development of organic agriculture
- data collection related to agriculture : the first census was undertaken in 2015
- the agricultural advisory and information system, which needs improvement.

## PREPARE Partnership for Rural Europe

*Goran Šoster, President of PREPARE*, thanked CiDA and Development Principles for their effective organisation of the Travelling Workshop and the efficient working atmosphere that they had created. He described PREPARE as a voice of rural organisations at European level, accepted as a partner by the European Commission, able to influence the Commission's approach to Rural Development Programmes including LEADER and Community-Led Local Development with its links to the Regional, Social, Maritime and Fisheries Funds. Since its formation in the year 2000, PREPARE has focused on the strengthening of civil society in rural areas, first in central Europe, then in the Balkans and now in the Black Sea area. It pursues this aim by organising travelling workshops, holding annual Gatherings, promoting the idea of national rural parliaments, co-initiating the European Rural Parliament, promoting bilateral projects and major events such as the Empowering Rural Stakeholders programme in the Western Balkans in 2014.

## Well-being of small farming communities in Black Sea countries

*Valentin Filip, Civitas Foundation for Civil Society*

Romania has more small farms – nearly 3 million – than any other European country. Why should we be concerned about their well-being? because, in many regions they are at the heart of rural communities and of rural economies; because, if they fail, we will have massive rural depopulation; because they sustain the social, economic and environmental structure of the rural areas; and because, by sustaining the health of the land, they contribute to long-term national food security.

But small farmers can be at grave disadvantage in the food market, and can face a variety of other challenges – lack of leadership, lack of competition, lack of support from government, lack of trust (which can inhibit the willingness to cooperate), lack of long-term thinking among local authorities and donors. Civil society organisations, such as Civitas, can help small farming communities to address these challenges. This may involve providing market information; supporting the creation of associations or cooperatives; helping them to prepare business plans; building their confidence and the expertise to trade their products; acting as mediator between them and commercial enterprises; offering training and advice on quality and presentation of products etc. For example, Civitas was approached by a group of 17 farmers near Cluj-Napoca who could not find a market for their food: Civitas has helped them to produce a business plan, and to gain a contract with the local supermarket. Leadership may also come from farmers who have gained professional qualification, and in some cases have benefited from experience abroad, and who then return to the rural area and launch enterprises which can benefit the small farmers.

Romania now has a good number of NGOs and networks active in rural development. These include not only those in part 3 of this report, but also the Open Fields Foundation, World Vision Foundation Romania, Civil Society Development Foundation, Local Mediation and Security Centre, and the National Association for Rural, Ecological and Cultural Tourism. Significant networks are RuralNet; and COOP-NET, a young non-formal network of NGOs and LAGs supporting the development of small farmers' cooperatives.

*Vyara Stepanova, STEP, Bulgaria*

Small farms are the cornerstone of agriculture in Europe. They sustain jobs; contribute to territorial development; form the basis for local economies; make a strong social, cultural and environmental contribution; sustain high nature value grasslands and other habitats; and are guardians of traditional crops and food products. In 2013, there were about 6 million small farms of less than two hectares in the European Union, which between them use about 2.5% of the land used for farming in the EU. The total number is far greater if one brings in the western Balkan and Black Sea countries: for example Georgia has 850,000, and Armenia 340,000, farms of less than 1 hectare in average size. In many

countries, the farming structure is highly polarised between a relatively small number of large commercial farms and a great number of small farms.

The challenges facing the small farming communities, and those who care about their well-being, are numerous. They are often marginalised or disregarded by governments because they are in the informal economy, 'below the radar' of government support systems. They are affected by poverty, often living at subsistence or semi-subsistence level, with a lifestyle that is not attractive to young people. The result of this is continuous out-migration of young people, and an ageing population left behind. The local economies are narrowly-based, and the rural services and infrastructure are often weak or wholly lacking. Many of the farmers have a low education level, without the capacity to innovate. They may be resistant to the idea of cooperation, which carries the unwelcome stigma of the communist collectives.

Taking these two broad factors together – the important role of small farms, and the grave disadvantages which they face – there is a clear need for integrated policies, led by the government and adopted by regional authorities, donors and the European Union. This must include practical assistance to producer groups and cooperatives; effective and flexible advisory services; research and training; infrastructural investment; and diversification of the local economies.

#### Policies and actions of governments in this field

*Mihai Herciu, Head of National Rural Network, Romania*



The farming structure in Romania is strongly polarised. Small farms represent about 80% of the total number of farm enterprises, but occupy only 20% of the land. The Government's Rural Development Programme aims to strengthen the rural economy. It includes two measures specifically designed to help the small farmers, namely setting up grants for young farmers, and annual financial support to those small farmers who produce some cash crops.

The Programme also gives support to non-agricultural activities which can complement the agricultural income of farmers, through funding for the start-up of new rural enterprises and for expansion of existing enterprises. Support is also available for producer groups and cooperatives. Small farmers may also be able to gain support through LEADER groups, as in the rest of the European Union; and may seek advice from agricultural advisory services.

*Sergey Adashkevich, Chief of Department of International Cooperation Ministry of Agriculture and Food, Republic of Belarus.*



The farming structure in Belarus is dominated by state farms, run by the Ministry of Agriculture or by regional authorities, together producing about 98% of the farm products in the country. The remaining 2% is produced by about 2500 private firms, of average size 75 hectares. Government action through the planned economy has doubled the output of agriculture in recent years.

For example, the creation of 1600 dairies has enabled Belarus to become 3<sup>rd</sup> in the world for export of butter, and 4<sup>th</sup> in the world for production of cheese. The Agricultural Policy 2011-15 was effectively a rural development policy. It provided for the building of a large number of agro-towns, which include housing, schools, hospitals, kindergartens, post-offices and banks. This programme has been successfully completed, but people are still leaving the rural areas, because automation in agriculture is reducing the jobs in that sector and no other jobs have been created. There is an urgent need to create jobs in other rural sectors, with help from donors and the European Union. Belarus might benefit from holding a travelling workshop with this kind, in order to gain ideas to this job creation. The Ministry of Agriculture and Food would welcome help in that respect

#### The role of civil society organisations in rural development

*Andrzej Halasiewicz, Polish Rural Forum*

Experience in Poland is that there is a lack of connection between government and rural citizens. The government tends to focus more on meeting the needs of urban citizens. For this reason, the voice of rural people needs to be raised. The Polish Rural Forum organises each year a grassroots meeting in a rural location, attended by about 300 people, funded by the Foundation for Rural Development in Poland, in order to gather ideas, debate policies and build the capacity of rural communities.

#### Partnership between civil society organisations and government –

*Anneli Kana, Estonian Village Association Kodukant*

The Estonian law of Non-Government Organisations (NGOs) and Foundations 1996 enables NGOs to take on contracts from government to run specific services. For example, *Kodukant* has contracts with the Ministry of Interior, to organise the work of the Estonian Volunteers Network; with the Ministry of Rural Affairs, to organise certain rural initiatives of the village movement; and with the Ministry of Finance, to organise seminars related to municipal reform at local level. There are contracts for cooperation between Ministries and national NGO networks, for example in the context of the Rural Development Programme and the European Social Fund.

NGOs also benefit from government funding. For example, the Foundation for Civil Society, with a budget of €3.5 million a year, offers funding to NGOs through different programmes. Further funding is available through the Estonian Cultural Foundation. More than one-third of the government's income through the tax on gambling is allocated to cultural, social, educational, sports and youth projects.

Consultative links between government and civil society are also well established. Each year, the Estonian Parliament hosts a Civil Society Day, with presentations and discussion. The Office of the President of the Republic includes a counsellor for Civil Society. The Network of Estonian NGOs is enabled to publish a Civil Society Agenda for consideration by all political parties before Parliamentary elections; and this Network monitors the manifestoes of political parties before the election and their actions after the event. Dialogues or trilogues are held between NGOs, ministers and/or officials, parliamentary groups and commissions. For example, *Kodukant* initiated meetings between rural development organisations and the Parliamentary Commission for rural affairs.

## Part 3. Conclusions

### 9. Conclusions from the Travelling Workshop

A rich experience. The Travelling Workshop was a rich experience, exposing its participants to many different aspects of rural life in Armenia and Georgia and encouraging intense exchanges between people from 16 countries and varied backgrounds. The participants have reason to be very grateful to those communities and enterprises who welcomed them, to those who took part in the conferences, and particularly to CiDA and Development Principles who organised the event in cooperation with PREPARE .

Impressions, and lessons. In seeking to draw conclusions from this experience, we should recognise that the event was short, and that the number of places visited was deliberately quite small, so that we had time in each place to explore the issues that it illustrated. We have gained some clear impressions, like a blind man touching different parts of an elephant, but we cannot pretend to have understood the whole picture in the two countries. Accordingly, we do not presume to offer advice to Georgia and Armenia : that was not the object of the exercise. Our purpose, rather, was to draw lessons based on the exchange between people from 16 countries, and to identify opportunities for further fruitful exchange and practical activity.

The role of agriculture. This event showed the importance of agriculture in the Black Sea countries. Farming is crucial to the food security of the countries, as was painfully revealed by the near famine in Armenia after its independence. Farm products contribute crucially to the national economies and balance of trade : in the case of Georgia, they contribute greatly to national exports. For these reasons, the governments in both countries are giving strong support to commercial farmers, in order to increase the supply and raise the quality of farm products; and are applying the measures which are needed to meet international standards of food safety, animal welfare etc.

Small-farming communities. At the same time, governments understand that the agricultural sector also includes – alongside the commercial farmers – very large numbers of small farms. Small farms are at the heart of rural communities and rural economies in many regions : they contribute to the nation's supply of food, within the formal and informal economy : they sustain the health of the land, and contribute to the social, cultural and environmental heritage. It is not possible, in a democracy, to radically change the farming structure in these small-farming regions without causing grave human suffering and social dislocation. Rather, the need is to find ways to create a new stable and sustainable basis for the communities and economies of these regions.

Elements of a solution. The places that we visited during the Travelling Workshop, and the contributions during the conferences and informal discussions, point towards some key elements in this search for a new stable and sustainable basis. These elements include:

- Raising the standards of production, which is possible even on the smallest of farms : a good example of this is the use of artificial insemination in order to improve the standard and productivity of livestock, at a price which the small farmer can afford
- Diversifying the farm products, in order to minimize the risks of farming and to gain higher value : a good example of this is the introduction of buckwheat at Tsovaguh
- Improving the agricultural techniques, for example through the provision by mechanisation centres offering modern farm machinery which individual small farmers could not afford to buy
- Cooperative approaches to the cultivation of land or the management of grazing pastures, which enable increases in efficiency and in production without complex land reform
- Effective and flexible advisory and information services for farmers and rural enterprises, linked to expert services such as soil analysis and research into the implications of climate change

- Access to credit on terms which farmers and rural enterprises can afford; and financial mechanisms suited to producer groups, associations and cooperatives, such as the loan system used by Heifer International
- Action to diversify the rural economy, notably by adding value locally to farm products through investment in storage and cooling facilities, processing plants etc.
- Appraisal of the natural, historic, human and other resources of each region, in order to identify the potential for economic development based upon these resources : this might include the revival of traditional crafts, innovative uses of resources such as timber or water power, or the development of tourism
- A focus upon features and activities which might make it possible and attractive for young people to stay in their native rural area or to return to the area after education or early careers elsewhere : such features may include a diversity of jobs, at acceptable levels of skill and payment, cultural facilities, good quality housing etc.
- Educational and training programmes, including personal development for young people of the kind offered by the Heifer-sponsored youth clubs; apprenticeships; vocational education; and lifelong learning
- Improvement in rural services and infrastructure, such as shops, cultural centres, roads, electricity, water supply, sewerage and broadband telecommunications .

Rural development – a sustained and integrated process. The wide scope of the list of elements stated above points to three crucial truths about rural development. First, it is not simply about agriculture : it embraces all the main issues which affect the vitality of rural communities, including diversity of sources of income, the services that they need, the infrastructure on which they depend, their cultural and environmental assets. In this sense, it is integrated. Second, it cannot be simply a set of separate projects : it must be conceived as a process, in which the different steps and elements fit coherently into each other. Third, that process will only succeed if it is pursued over a significant period of time : it must be sustained.

Consider the example of the Gargar Cooperative and Village Council in Armenia. The cooperative was founded in 2003 : it has a dynamic leader in Mr Karen Zalinyan: it has developed its activities step by step, with help from Heifer and others : it has viable farm products, and is progressively adding value to them : it has become a driving force in the village : the village council is now (thirteen years after the first initiative) preparing a four-year plan, in order to address the wider aspects of the development which is truly needed by the community. This is rural development as a sustained and integrated process.

The role of government. The introduction to this report made plain that rural development is a matter for partnership between the government and the people. The government cannot do it alone. But the government can, and should, set the agenda, undertake the tasks which lie with government, and ensure that there is a supportive climate for action by others. Governments in the Black Sea countries are all at different stages of considering, preparing or implementing rural development strategies or programmes, which state the general approach to rural development. Their Ministries of Agriculture are focused on support to the modernising of the farming industry. Other ministries are responsible for investment in infrastructure.

The challenge to governments, from the perspective of small farming communities and the economies and environments which they sustain, is that the State programmes should be so handled and integrated as to meet the needs, and contribute to the long-term health of those communities. Governments set the 'climate' of law, finance, taxation, regulations, trade etc. within which communities, organisations and enterprises must operate. That climate must take into account the specific needs of small farms, small enterprises, producer groups, cooperatives, village councils and local associations. It is not acceptable that, in some countries, small farms are effectively excluded from government support. If governments

wish small-farming communities to thrive, they must ensure that this 'climate' (which they control) is supportive to those communities and flexed to their specific needs.

The role of donors. The Black Sea countries, particularly those outside the European Union, are benefitting greatly from the generosity and focus of multilateral and bilateral donors. The places visited during the travelling workshop provide many examples of new services to farmers, support for cooperatives, creation of youth clubs, improvement of rural services and infrastructure, on the basis of initiative by and funding from donors. This contribution to the development of the Black Sea countries is parallel to the earlier major contribution which donors made to development in the Central European and Balkan countries, prior to their accession to or candidate status with the European Union. In recent years, donors have reduced their activity in those countries. This trend underlines the point that the current contribution of donors in the Black Sea countries will in due course diminish. This implies that the recipient countries must focus on how the enterprises and structures which the donors have helped to create are truly viable, in the sense that they can be sustained after the donors leave ... and this points to the key issue of leadership.

Leadership. The places visited during the travelling workshop provides striking evidence of the crucial need for leadership at local or sub-regional level. We met communities which were making good progress because of dynamic leadership, and others which were failing for lack of leadership.

Leadership can come from different directions. We have seen impressive examples of :

- Leadership by government, for example in the creation of Community Centres in Georgia, which enabled local populations to gain access to a wide range of public and private services within the village, rather than having to travel to a larger town ; and, again in Georgia, the creation of Agricultural Mechanisation Centres, which enable farms of all sizes to gain access to modern machinery
- Leadership by donors, for example the creation of the Farm and Veterinary Service Centres in Armenia, which – because they are run on a private enterprise basis – are likely to remain viable
- Leadership by major companies, such as the Kakhetian wine-making company and the Marneuli Food factory in Georgia and the Dustr Melania Cheese Factory in Armenia, who provide employment in rural areas and bring income to the small farmers who supply raw material to them
- Leadership by key individuals, such as Karen Zalinyan creator of the Gargar cooperative and Vahram Gevorgyan leader of the Tsovagyuh cooperative, both in Armenia.

Integration at sub-regional level. The examples above are mainly at a local level, with economic or social initiatives which benefit a single village community or group of communities, or which are purely sectoral in impact (for example the mechanisation centres). But rural people depend also on services, infrastructure or economic elements which operate at municipal, sub-regional or regional level, for example water supplies, transport systems, banking services, specialist shops or hospitals. The development of new elements in a local economy, such as short food chains or new tourism initiatives, is often best pursued at sub-regional level. This implies that mechanisms are needed at that geographic level to provide leadership in rural development.

This leadership may come from local authorities, if they have the power and resources to take initiative. The travelling workshop provides an example in Georgia of the municipalities in Telavi, which have embraced cooperation with civil associations, established links with rural communities and provided funds for local initiatives. It may also come from non-government organisations, of the kind which are in membership of the Regional Civil Society Network in Georgia. Cooperation between local authorities and non-government organisations may then lay the groundwork for the wider application of the idea of multi-sectoral sub-regional partnerships, which are widely found in the European Union in the form of Local Action Groups who apply the LEADER principles and deploy funding through the

Rural Development Programmes. In the last few years, on the initiative of donors, three pilot Local Action Groups have been created in different regions of Georgia, and more are now planned in other parts of that country. The time may soon come for similar initiative in Armenia.

Networking. The travelling workshop provided striking examples of the benefits of networking within Georgia and Armenia; between those two countries; and on a multi-national basis. We heard descriptions of the creation by CiDA, and the activity, of the Regional Civil Society Networks in Georgia; and of the networks of professionals, teachers, community leaders, cooperatives and rural youth clubs in Armenia, stimulated by Heifer International. We heard about CiDA's Cross-border Economic Development (CED) project, focused on stimulating cross-border activity between farmers and other enterprises in Georgia and Armenia; about the regional project Promoting Innovative Rural Tourism which promotes cooperation between tourism enterprises in Armenia, Georgia, Turkey and Bulgaria; and about the wider cooperation in the context of the Eastern Partnership and other multilateral mechanisms. Looking further west, we heard about the multinational networking and cooperation between either non-government organisations or government agencies within the PREPARE Partnership for Rural Europe, the Balkan Rural Development Network, the European Rural Parliament, the Carpathian Foundation and the Regional Rural Development Standing Working Group in South Eastern Europe. Networking of these kinds can bring enormous benefit to enterprises, communities, cooperatives, sub-regional partnerships and others as they tackle the issues of rural development which are found in every European country.

## 10. Possible elements of a Black Sea initiative

For PREPARE, the travelling workshop in Armenia and Georgia was simply the first step in a longer-term multinational Initiative in the Black Sea region, similar to that which we have conducted in two main earlier phases – in the Baltics and Central Europe; and in the Western Balkans.

The aim of this first step was three-fold :

- To create a network of people from civil society and government in the eight Black Sea countries, who have a similar interest in the well-being of rural communities and in the development of effective partnerships between civil society and government
- To reach a consensus within this network as to the activity which can usefully be pursued through a longer-term Initiative
- To show potential funders of the long-term Initiative that this network has the capacity to generate practical ideas which will truly benefit rural people in the Black Sea countries.

We believe that we have achieved the first of these three aims. Truthfully we did not have sufficient time in Georgia and Armenia to reach a full consensus about the further activity which might be pursued, but many useful ideas were offered by participants in the traveling workshop. It is also clear that many of the participants from the Black Sea will welcome opportunities to mount practical multi-national projects for which funding might be sought.

PREPARE intends to explore with its Black Sea partners the potential for further useful cooperation, which might fall within one or more of the following types of activity :

1. A series of theme-based travelling workshops and seminars – each in a different Black Sea or EU country and each focused on a particular aspect of the broad theme of integrated rural development, in order to steadily extend the outreach and membership of the active network.
2. Training and capacity-building events, focused on strengthening the ability of civil society organisations within the network. This activity may draw upon, and link to, the experience of the ALTER project, launched in January 2016 by the group of CSO-based rural development networks in the Western Balkans and Turkey with funding from the European Union Civil Society Facility. PREPARE is co-Partner in this project. Note the geographic link to the Black Sea through Turkey.
3. Support for the creation and activity of national civil-society networks in each of the Black Sea countries.
4. Participation of people within this Black Sea network in pan-European events organised by PREPARE and its partners, including the European Rural Parliament programme – see [www.europeanruralparliament.com](http://www.europeanruralparliament.com)
5. Intensive short training events for young professionals within the network, focused on real-life issues in the field of integrated rural development, in order to stimulate their thinking and to offer new solutions to problems faced by rural communities.
6. Scholarships (or internships), to enable individuals working in the rural development field in the Black Sea countries to gain practical experience of work in other countries in the Black Sea region or in the European Union.
7. Participation of people from the Black Sea in cross-border cooperation and transnational cooperation in the Black Sea region and in the European Union. This may have particular value as the LEADER approach becomes more widely applied in the Black Sea countries.
8. Support for networking between government agencies involved in rural development in the Black Sea region, possibly on the lines of the Regional Rural Development Standing Working Group in South Eastern Europe (SWG), which has a geographical link with the Black Sea through Bulgaria.
9. Continuation of the bilateral exchanges between individual PREPARE partner organisations and individual Black Sea countries.

## Summary of the Programme, Black Sea Travelling Workshop

### Sunday 23 October 2016

Arrivals in Tbilisi      Overnight in Astoria Hotel, Tbilisi

### Monday 24 October

10.00 to 12 00 Initial Conference at Radisson Blu Iveria, Tbilisi  
 12.00 Lunch  
 13.30 Departure for field visit in Georgia – Kakheti region

#### **Group 1**

14:30 Visit Kakhetian Traditional Winemaking Company  
 16:30 Meeting at Kachreti Community Centre with small farmers

#### **Group 2**

15:30 Meet representatives of Regional Civil Society Network  
 16:40 Meet mayor, head of Council and local authorities of Telavi Municipality

**All participants** Dinner and overnight at Ambassadors Hotel, Kachreti

### Tuesday 25 October      Continued field visits in Georgia - Kvemo Kartli region

#### **Group 1**

10:00 Visit Agricultural Mechanisation Centre, Marneuli Municipality  
 11:30 Visit Marneuli Food Factory

#### **Group 2**

10.30 Visit Bolnisi cheese production factory at Ratevani village  
 11:15 Visit livestock farm producing milk

#### **Both Groups**

13:00 Lunch in Bolnisi “German Mill” Hotel and Restaurant  
 15.30 Interim Conference at Radisson Blu Iveria, Tbilisi  
 18:30 Conclusion of the Travelling Workshop in Georgia  
 19.00 Dinner at Georgian Restaurant “Samikitno”  
 Overnight at Cron Palace Hotel, Tbilisi

### Wednesday 26 October

09:00 Departure from Tbilisi for travel to Armenia  
 13:00 Lunch at Gayane Hotel, Haghpat Community, followed by :  
 Brief presentation "Key challenges for rural development in Armenia" by  
 Anahit Ghazanchyan, Heifer International/Development Principles NGO, Armenia.  
 14:00 Field visits continue in Armenia

#### **Group 1**

15:30 Visit Gargar Cooperative and Community

#### **Group 2**

15:30 Visit Farm and Veterinary Service Center, Stepanavan  
 16:45 Visit Cheese plant ‘Dustr Melanaya’, Tashir

#### **Both groups**

19:30 Dinner and overnight at Dilijan Best Western Paradise Hotel

### Thursday 27 October      Field visits continue in Armenia

#### **Group 1**

11.30 Visit Hayrivank Integrated Farm Center  
 13.00 Visit Sevan Youth Club

#### **Group 2**

10.00 Visit Tsovagyugh Pasture Users Union Cooperative  
 12.30 Visit Sevan monastery, Sevan peninsula

#### **Both groups**

14:00 Lunch at Tsakhkung guesthouse)  
 16:00 Return to Yerevan, and prepare Group reports for Concluding Conference  
 19:00 Dinner with Armenian hosts in Yerevan Tavern, Teryan Street.  
 Overnight in Ani Plaza Hotel, Yerevan

### Friday 28 October

09.30 to 13.00 **Concluding conference** at Ani Plaza Hotel, Yerevan

**Departures** either from Yerevan or by bus to Tbilisi for those who wish to catch flights there

**Participants in the Travelling Workshop****Black Sea countries****Armenia**

Anahit Ghazanchyan, Country Director Heifer International and President of Development Principles NGO  
Levon Movsisyan, Heifer International and Development Principles NGO  
Susanna Khachatryan, Chief of Party, Advanced Development Initiative Programme/Fuller Center for Housing  
Armen Bezhanyan, Country Director, Mission East Armenia  
Tigran Hovhannisyan, General Director, ECLOF Foundation  
Varsik Nerkararyan, Eurasia Partnership Foundation, Programme and office coordinator, Northern Branch  
Ani Harutyunyan, Project Coordinator at Support for Noyemberyan (NGO)  
Yeranuhi Soghoyan, journalist, web portal [www.hetq.am](http://www.hetq.am)  
Narek Alexanyan, photojournalist  
Vigen Hovhannisyan, VIVA – Fruit LLC (Tavush region, Armenia)  
Rafik Ohanyan, farmer (Tavush region, Armenia)  
Spartak Zakharyan, farmer (Tavush region, Armenia)  
Martin Jilavyan, farmer (Tavush region, Armenia)

**Georgia**

Zviad Devdariani, Director, Civil Development Agency (CiDA)  
Nino Chitorelidze, CED Project Field Manager, CiDA  
Natalia Gamgebeli, CiDA  
Catherine C. Minor, Peace Corps volunteer at CiDA  
Keti Beridze, CiDA  
Manana Lataria, Translator/guide  
Oliko Tsiskarishvili, Journalist, newspaper “Eco Fact”  
Darejan Kanteladze, founder of Cheese Producing Company “Santa” (Tsalka, Kvemo Kartli, Georgia)

**Belarus**

Dr Aleg Sivagrakau, Deputy Chairman, Sustainable Development Center NGO  
Siarhei Tarasuik, Director, International Foundation for Rural Development (IFRD)  
Sergey Adashkevich, Chief of Department of International Cooperation, Ministry of Agriculture

**Bulgaria**

Vyara Stefanova, Chairwoman, Society for Territorial and Environmental Prosperity (STEP)  
Iva Tsenkova, lawyer, National Association of Small and Family Farmers and Food Producers

**Moldova**

Sergiu Mihailov, Executive Director, Pro Cooperare Regională NGO

**Romania**

Valentin Filip, Programme Coordinator, Civitas Foundation for Civil Society  
Mihai Herciu, Head of National Rural Network, Ministry of Agriculture

**Turkey**

Ibrahim Tugrul, Vice-President, Development Foundation for Turkey  
Ali Ergin, Head of Department of EU Structural Cohesion, Ministry of Food, Agriculture and Livestock

**Ukraine**

Rostyslav Kos, Executive Director, NGO Karpatske Kolo  
Anna Danyliak, National Ecological Centre of Ukraine

**PREPARE partners and key allies**

Michael Dower, Coordinator, PREPARE Partnership for Rural Europe  
Anneli Kana, Kodukant, Estonian Movement of Villages and Vice-President of PREPARE  
Sandor Koles, Chairman of Carpathian Foundation Hungary, representing Hungarian Rural Civil Society Network  
Āris Ādleris, Latvian Rural Forum, and Black Sea liaison officer of PREPARE  
Andrzej Hałasiewicz, Founder Member, Polish Rural Forum  
Dragan Roganović, President, Serbian Network for Rural Development, and PREPARE Secretary General  
Goran Šoster, Vice-President Slovenian Rural Development Network, and PREPARE President  
Boban Ilic, Secretary General, Regional Rural Development Standing Working Group in South East Europe  
Alex Dower, Creative Director, Creating Freedom (participating in order to make a video film)

## PREPARE Partnership for Rural Europe

**Aim.** The aim of the PREPARE Partnership is to strengthen civil society in rural areas; to promote co-operation between local actors, governments and all stakeholders in rural development, notably in the new member states, accession and neighbourhood counties of the European Union; and to enable multi-national exchange in rural development.

**Origin.** The Partnership was formed in 2000 by two European NGOs (Forum Synergies, and ECOVAST) and the national rural networks of **Sweden, Finland, Estonia and Hungary**. It has steadily grown over the years, as new national rural networks have been created with our help and joined the Partnership. It now consists of the two European NGOs, plus national rural networks in 11 EU member states and 5 Western Balkan countries

**Central Europe.** When we started work in 2000, many of the countries in Central and Eastern Europe, which were then candidates for EU membership, had very weak civil society, particularly in the rural areas. We offered support to people in those countries, by inviting them to international gatherings, offering expert advice, contributing to seminars etc. Within the next 6 years, new national rural networks were created in the **Czech Republic, Latvia, Lithuania, Poland, Slovakia and Slovenia**. These networks joined the PREPARE Partnership, and are active in supporting rural initiatives throughout their countries and promoting cooperation between people and government.

**South Eastern Europe.** From 2006 onwards, PREPARE focused on South Eastern Europe, including the Western Balkan countries and Turkey. We contacted NGOs in those countries; helped in the strengthening of civil society; and held annual Gatherings and traveling workshops in different countries in that region. The outcome is the creation of national rural networks in **Albania, Bosnia & Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro and Serbia**, all of which have become PREPARE partners.

**'Empowering Rural Stakeholders'**. In 2009, we signed a Memorandum of Cooperation with the Regional Rural Development Standing Working Group of Ministers of Agriculture of all the countries in the Western Balkan region (SWG). This cooperation climaxed in an ambitious multi-national event in April 2014, focused on 'Empowering Rural Stakeholders', jointly organised by PREPARE, SWG and the TAIEX unit of the European Commission, working with the authority of Agriculture Commissioner Dacian Cioloş. This event included travelling workshops and conferences in Serbia, Montenegro and the former Yugoslav Republic of Macedonia; and a concluding conference in Brussels.

**Black Sea initiative.** We now turn our attention to the wider ring of states recognised by the European Union as candidate, potential candidate or neighbourhood countries. Our main focus is on countries around the Black Sea, namely Armenia, Georgia, Turkey, Moldova, Belarus and Ukraine.

**European Rural Parliament.** PREPARE is working closely with two other European rural networks – the European Rural Community Alliance (ERCA) and the LEADER Association for Rural Development (ELARD) – as leaders of a pan European campaign to raise the voice of rural people throughout Europe, to encourage self-help and solidarity among them, and to promote partnership between civil society and governments in serving their well-being. This campaign is supported by national rural networks in more than 40 countries. Highlights are the biennial European Rural Parliaments, of which the first was held in November 2013 and the second in November 2015. The European Rural Manifesto, adopted at the second of these Parliaments, forms the basis for the continuing campaign.

**PREPARE Partners as at June 2016.** Forum Synergies; ECOVAST, the European Council for the Village and Small Town; Albanian Network for Rural Development; Rural Development Network in Bosnia and Herzegovina; Croatian Rural Development Network; National Local Action Groups Network of the Czech Republic; Kodukant, the Estonian Movement of Villages; Finnish Village Action Association; Hungarian Rural Civil Society Network; Latvian Rural Forum; Lithuanian Rural Communities Union; Rural Development Network of the Republic of Macedonia; Network for Rural Development of Montenegro; Polish Forum on the Animation of Rural Areas; Network for Rural Development of Serbia; Slovakian Rural Parliament; Slovenian Rural Development Network; Hela Sverige ska leva, Sweden.

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