

Boosting production and raising standards for agricultural cooperatives

Improving standards in agriculture can also help increase production – and incomes. That is why the EU has been helping smaller farms in Bosnia and Herzegovina to better understand the market and its demands and how working more efficiently in cooperatives can improve their earnings.

TARGETING ASSISTANCE – AND TARGETED MARKETING

The project delivered technical training and start-up equipment packages to selected farms that belonged to cooperative chains. The results included a boost to average household incomes from increased production and sale of fruit and vegetables – up by as much as 75%. Key elements in the project were that farmers learnt more about standards and quality control along the way, and marketing was better attuned to domestic and regional demand via commercial cooperative chains.

The project covered seven agriculture cooperatives with an initial 200 farmers operating in 15 municipalities and Brcko District across the north east of the country. A further 200 farmers joined the network of cooperatives during the project's lifetime, and farms were also able to take on additional staff. Within each cooperative, training helped produce a strategic management and marketing plan, and all seven also successfully completed the certification process for the global voluntary standards for agricultural product, known as Global GAP. So did 200 of the farms. Two of the cooperatives also worked successfully on attaining the internationally-recognised HACCP quality and safety standard (HACCP stands for Hazard analysis and critical control points). This form of certification makes them more competitive on the global market – and is a gateway to exports to the EU.

SALES AT HOME AND ABROAD

New sales contracts were signed between cooperatives and their domestic customers. In addition, managers from the cooperatives visited the international FRUIT LOGISTICA fair in Berlin, where they were able to establish business cooperation with 20 companies importing fruit and vegetables or involved in processing for the food industry.

WIDER IMPACTS

The project also had a wider impact on the agricultural sector in the region. The demonstration it offered of improved performance persuaded other cooperatives and companies to follow the example and to develop their own competitiveness in local and regional markets. Cooperation was also strengthened with the education and training sector. And higher food safety standards also had a positive impact on the consumers of agricultural products.

At the same time, the project also contributed to gender equality, since many of the farmers involved were women. And since the project was implemented in an area to



which displaced minorities had returned, it played a part in promotion of human rights and social inclusion: more than half of the 400 farmers belonged to the category of minority returnees. The strong environmental and social sustainability components of the safety standards schemes also encourage respect among farmers for long-term preservation of the natural environment and social inclusiveness.

Alija Halilovic, an employee of the Agrokoraj cooperative, said that thanks to the project, "We now realise that food and safety standards mean new market opportunities for us and more jobs for our partners." He has upgraded his knowledge so that he can apply new methods in fruit production, and he has successfully completed training as a GLOBALGAP internal auditor to conduct internal quality control. The cooperative is expanding its certification of pear and cherry production, and in 2013 boosted certified plum production by more than 50% above 2012 levels.

PROJECT DETAILS –

ACCORD – Agricultural cooperatives development

Partners:
Centre for Development and Support from Tuzla,
Bosnia and Herzegovina
Citizens' Association Nešto Više, Bosnia and Herzegovina

Total cost in €:
370,000

EU Contribution in €:
314,500 (85%)

Start date:
September 2010

End date:
September 2012

Results:
Increased income for farmers;
raised quality of produce;
improved understanding of markets

Techniques:
Training and supply of equipment

