



**Cooperative Business and Innovative Rural Development:
Synergies between Commercial and Academic Partners
C-BIRD**

FP7-PEOPLE-2013-IAPP Marie Curie
Industry-Academia Partnerships and Pathways (IAPP)



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Study visits report

2015





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1. Introduction

The purpose of the report is to continue sharing the experience the C-Bird researchers gained during their secondments as well as presenting lessons learned during this exchange process.

The study visits organized by COEXPHAL (Spain) in January, Agroconsult Engineering (Bulgaria) in February, Trakia University (Bulgaria) in April, EURICSE (Italy) in May, and the Zip Center (Serbia) in June have additionally contributed to showcase the most recent and particular development trends in cooperative practice and research and provided the opportunity to network and to expand the understanding of cooperativism and the motivations for the cooperative action in rural areas.

The knowledge and experience proved to be fruitful stimuli for sharing and promoting C-BIRD project and activities at events organized at international level, including co-organization of the international conference *"Visions 4 a Cooperative Future: Cooperativism for the 21st Century Europe & Beyond"*, on 4th - 6th of December 2014 in Bratislava, Slovakia; presentations at international forums, such as the international conference *"Unlocking the potential of the social economy for EU growth"*, organized by the Italian Government during the Semester of Italian presidency of the EU Council; the ICA Paris 2015 conference on the topic *"Future of the Cooperative model: creativity, innovation and research"*.

Each of the researchers involved has submitted an individual scientific/ activity report and contributed to the present report by sharing his/her views, knowledge, and practices to consolidate these in one comprehensive overview of the rich experience and variety of rural development pathways and cooperative business across Europe.



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2. Overview of the researchers' study visits per country-partner

In this section is summarized the information for the country of the study visits, type and number of organizations visited, researchers involved, period of the visit.

Country of the study visits	Type of organizations visited	Researchers involved	Period of the visit
Bulgaria <ul style="list-style-type: none"> • Agroconsult - Engineering EOOD • Trakia University 	Local action groups, cooperatives, producer organization, single agricultural producers, NGOs and a foundation, municipality authorities, international agricultural exhibition, national associations, center for entrepreneurship	Academic participants: Darina Zaimova, Julia Doitchinova Business participants: Milos Colic, Ana Petrovic, Asya Mileva, Anelia Vateva	February, April
Italy EURICSE	Federation of Province Breeders, cooperative associations, consortia, social cooperatives, producer organization	Business participants: Asya Mileva, Anelia Vateva	May
Spain <ul style="list-style-type: none"> • Asociacion de Organizaciones de Productores de Frutas y Hortalizas de Almeria - COEXPHAL 	Cajamar, Las Pamerillas, Chamber of commerce, EU Ciclo de Jornadas técnicas modelo Almería, internal Coexphal companies and Departments.	Academic participants: Cynthia Giagnocavo	January
Serbia Zip Centar za mlade biznis inkubator DOO Pirot	Local community, dairy school, municipality, business forum, NGO, tourist organization, cooperatives, training center, design studio,	Academic participants: Darina Zaimova, Julia Doitchinova	June



3. Findings

This section attempts to briefly summarize the findings of the researchers while seconded in host institutions and visiting the different type of organizations that contribute to the cooperative idea and have a positive effect on rural development.

3.1. Role of the local authorities and collaborative initiatives in rural areas

The LEADER initiative is often addressed as a small-scale policy focused on restricted rural territories with a modest amount of financial resources, but the interest in this programme is to build networks with the local actors through social capital development, cooperative approach, and shared objectives. During the previous programme period (2007-2013) close to 5% of the EAFRD was earmarked to the Leader axis, with the exception of the Member States that joined the EU in 2004 and 2007 – the relevant percentage is 2.5%. For this period were established 2290 LAGs, 123 000 beneficiaries received financial support, and in total 136 million people in rural areas benefited from the implementation of the Leader programme. The LEADER method has gradually become a model for further rural development policies and many of its features have been widely adopted within the national policies in many EU countries.

Local self-government is an important factor for mobilizing the local society and for the development of rural areas in Bulgaria. Close to 60 municipalities in rural areas take part in projects for integrated development, financed by the European Union and the bilateral national programs aimed at development the capacity for planning and applying the policies for local development. In the process of structuring

the development plans for the planning period 2007 – 2013, local interested groups are involved into collaboration (non-government organizations, educational and cultural institutions). After Bulgaria's accession to the European Union, Measure 431 introduced in the Rural Development Program (2007-2013) supports the development and animation of rural areas. The implementation of the measure is divided in two periods. The first one refers to 2007-2009 and in general introduces a strategy and sources for skills in establishment local action groups. Considering that Leader approach and its successful implementation is highly dependent on the participation and support of the broader society and is an active inclusion process, the main objectives of the sub-measure 2 of the Measure 431 "Running the Local Action groups, acquiring skills and animating the territory" are: support of the emergence of LAGs in rural areas; acquisition of skills for the establishment and functioning of LAGs at the local level; facilitating the process for preparation of local development strategies; encouraging the inclusion of the population in the development and future implementation of local development strategies. The scope of this sub-measure is mainly concentrated on creation of database and studies on rural regions



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(territorial, socio-economic analyses) for the purposes to create an efficient local development strategy. This strategy is based on the simultaneous utilization of public, private, civic and voluntary sectors; association of local stakeholders around collective projects and multi-sector actions; reduction of potential conflicts and facilitating negotiation between different rural actors; and facilitation of adaptation process towards agricultural and environmental concerns.

Furthermore, support of the already established local action groups is provided by sub-measure 1: "Running the Local Action Group, acquiring skills and animating the territory for selected local action groups". This sub-measure has the following objectives:

- to encourage the development of strong and efficient LAGs;
- to ensure resources – human, technical, financial that are needed for the overall support and delivery of LAGs' activities and strategies;
- to enhance the awareness and skills of local people in the Leader approach and to encourage their active participation in the process of local development strategy implementation.

In order to encourage the interest towards the opportunities provided by the Leader approach a number of projects are initiated and supported by the government. Within the framework of these projects are established eleven Local Action groups that cover 4 per cent of the rural population, other nine LAGs are in the process of setting up. For the period 2007-2009 are approved 6 projects on Measure 431-2 "Running costs, acquisition of skills and animation – potential LAGs".



LAG Rakovski, Bulgaria

The territory of LAG Rakovski covers the entire territory of Rakovski municipality. LAG Rakovski is located in southern Bulgaria, northeast to the city of Plovdiv. It is placed in the eastern part of Pazardzhik - Plovdiv plain, part the Gornotrakiiska lowland. LAG Chirpan covers 20 municipalities - Chirpan, Darzhava, Dimitriev, Gita, Izvorovo, Malko Tranovo, Mogilovo, Oslarka, Rupkite, Spasovo, Sredno gradishte, Stoyan-Zaimovo, Svoboda, Tselina, Tsenovo, Vinarovo, Yavorovo, Yazdach, Zetyovo, Zlatna livada.

The intention of the LAGs is to induce a long-term rural development process based on the capacity-building of local actors and to encourage new forms of organization and stimulate new forms of linkages between groups and public agencies.



LAG Chirpan, Bulgaria

LAGs are created to represent and serve to institutions, associations, and agencies, both public and private, individual or collective, interested in the promotion and





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development of the territory of action to achieve the following *objectives*:

- Provide a channel for participation of local and rural development
- Serve the associated center of reception and transmission of information
- Award and administer final beneficiaries of the fund received
- Collaborate with relevant authorities
- Organize, coordinate and enhance the activities of social organizations.

Sustainability of LAG work depends largely on the ability to manage the implementation of the Strategy for local development. In general the organization has the difficult task to simultaneously monitor the implementation of the general objective and priorities of the Strategy and to bring together the interests of various groups and individually support specific projects of writing - to their realization. Some of the most specific commitments of LAGs for the implementation of the Local Development Strategy are:

- inform, advise and assist in the preparation of projects to potential candidates;
- prepare and issue calls for project applications within the LAG ;
- accept proposals;
- organize the evaluation process of the projects;
- conclude contracts with successful applicants for grant assistance;
- monitor the implementation of projects , including on-site monitoring;
- assist successful applicants in the preparation of requests for payment to the Paying Agency and preparation of reports for reporting on implementation;

- prepare an annual report for reporting on the implementation of the Local Development Strategy , as well as other reports and reports on the implementation of local development strategy required by the Managing Authority of the RDP.

Pirot municipality is located in the Southeastern Serbia on the international route to the Middle East, halfway between Nis and Sofia. There is a high level of agriculture, while the agricultural population makes up 3.7% of the total municipal. There are 8,000 registered agricultural holdings and the agricultural production is carried out on 69,619 ha of classified agricultural land.



Pirot Municipality, Serbia

The municipality has straightforward policy towards the agricultural sector and support for rural development in the meaning of the direct payments, investments in production process, infrastructure, yield insurance and transfer of knowledge.

Local authority also pays the interests for the agricultural credits. Through public procurement procedures are chosen banks with suitable conditions, appointed to give loans to agricultural producers.



3.2. Cooperative models in rural communities

Created in the 40s of the last century, the association “Pirotska dolina” has proved through the years as a reliable structure to gather beekeepers from the region of Pirot. Its members have decreased through the years, reaching the number of 140 in 2015, of which number 85 are members of the National Union of Beekeepers.



“Pirotska dolina”, Pirot, Serbia

Most of the production of “Pirotska dolina” is exported for Italy, where producers have managed throughout the years to make a reputation for quality and standard. The average number of the beehives is 80 per producer, but it also ranges from the minimum of 15-20 beehives to 250 beehives.

The open-membership policy aims to attract the young people, but also “Pirotska dolina” organises training, workshops and meetings to improve its members’ capacity.

A strong support beekeepers are receiving from Pirot Municipality, which provides 50% funds for buying every piece of equipment producers need for their work. In addition, a support scheme is established as stimuli for honey production. For 2013

beekeepers received up to 600 euros, in 2014 the amount was increased to 1000 euros, reaching 1500 euros in 2015.



“Pirotska dolina”, Pirot, Serbia

Functionally the internal organization is relaying on the role of the President to negotiate the prices, quantities and quality, supported by the Board of Directors and the Assembly. Even though there is no rule that required producers to sell through the “Pirotska dolina”, most of the beekeepers are choosing this way to access the market and receive a reasonable price for their production.

Cooperative Society “Forest” was established in 1915 in Chepelare. The cooperative successfully defends the interests of the forest owners – its members, cooperating with the local authorities and organizations, national and international programs and initiatives in the field of private forests for their sustainable development and the formation of ecological literacy among the owners. “Forest” participates and supports at various levels develop and implement regulations and decisions concerning planning, management, management and use of private forests.

Producer organization “Farmer milk” was established in 2012 in Bulgaria and



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represents the interests of 7 producers in the region of Rakovski. For the 2015, this organization is the first one applying for funding from the Measure 142 "Producer organizations" to increase the capacity and efficiency of its producers, and to add values to the production process; as well as to share good practices in the sector.

Cirko sole producer of dairy products – white cheese, yogurt, kashkaval is located in a small village of Krupaz, Serbia. Registered as an agricultural producer, the family business has received HACCP standard and has been awarded with several diplomas and certificates for quality.



Cirko dairy, Krupaz, Serbia

This family business is breeding 300 sheep and 8 cows, and produces on average 150 kilos white cheese per days, 100 kilos of kashkaval and 300 kilos of yogurt. The producer has also 50 suppliers in the region and mainly distributes his products through the small stores in Pirot, or directly to the customers.

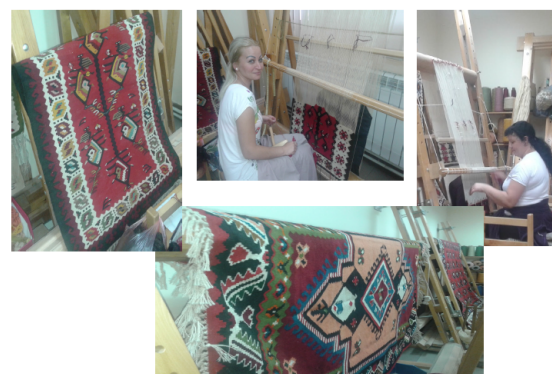
"Ladies' Heart" cooperative in Pirot, Serbia dates its history back in 2009, when it was established as a cradle of old tradition and regional heritage.



"Ladies' heart", Pirot, Serbia

The cooperative is the only one in the country that produces the traditional Pirot rugs – kilims with high quality, authentic design and above all with spiritual message passed on for 500 years.

"Ladies' Heart" is a winner in the 7th International festival of craftsmanship, when in 2012 in Russia their products were proclaimed "The best product". In 2011 the cooperative also received the certificate "People of the new age – person of the year", and in 2010 certificates called the "Tourists' flower" and the "Golden medallion".



"Ladies' heart", Pirot, Serbia

Thanks to their high level professionalism, authentic products, and the good collaboration with the regional authorities and national level decision-makers as well, the cooperative has managed to prove itself as an important part of Pirot's economy and community life. "Ladies' heart" kilims are protected by the UNESCO.

Second level cooperatives in Trentino or the consortia, represent a society of the cooperatives in certain sector, that is aimed at coordination and integration of their





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activity, strategic planning and marketing, foreign market penetration, representativeness at national level, while preserving territorial specificity and local advantages.



Federazione Provinciale Allevatori, Trentino, Italy

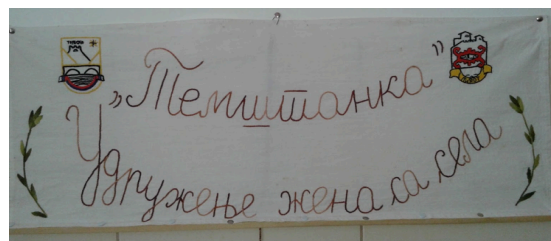
The agricultural cooperatives in Trentino are represented by their Federazione Provinciale Allevatori, Melinda and Trentigrana – Consorzio dei Caseifici Sociali Trentini. The social sector is supported by the Con.Solida, and two social cooperatives – La Coccinella and Arianna, active in child support and cultural services.

In the village of Temska, nearby Pirot an unique NGO has been established to provide alternative employment for women, who have lost their current jobs.



Temishanka – Association for village women, Pirot

10 women from the village organized themselves in Temishanka – Association for village women, to prepare specific local food, mostly from bio-products from their own households.



Temska NGO, village of Temska, Pirot

With the support of the local authorities and Pirot municipality, Temishanka is an interesting destination for foreign guests that want to taste local food and specialities, regular participant at food fairs and local events.



Black currant winery, Bubashnica, Serbia

3 years ago, starting from one single bush of black currant Mila Prljincevic Stankovic started her experience with the production of wine in the region of Babushnica. At the beginning she was producing for self-consumption, until 2012 when she submitted a project proposal and received funding from the National Agency for Regional Development. Her household received a small grant for establishing a small winery. From this point her main problems refer to the multiple requirements for production, bureaucracy and heavy administrative procedures. Despite these, the young producer sees her future in the unique production of black currant wine and development of rural tourism in Bubashnica.





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4. Conferences and events

In December 2014 C-Bird project was co-organizer of the International Interdisciplinary Conference on “Cooperativism in the 21st Century Europe” in Bratislava, Slovakia, invited by the Visegrad project “Inclusive Local Economies through Cooperatives Development” (INECON), the European Alternatives and the International Young Professionals Foundation.



“Cooperativism in the 21st Century Europe” in Bratislava, Slovakia

The conference is intended for anyone interested in cooperatives and social and solidarity economy, in local and regional economic and social development, and in issues related to economic democracy - from academics to practitioners, and aims to:

- bring together academics, policy makers and practitioners to present research, discuss current knowledge and exchange experiences related to cooperative, social and solidarity economy and various forms of cooperative action;
- promote networking among academics and practitioners and further build a community of experts and interested parties for on-going collaboration, dialogue and research on cooperative, social and solidarity economy and various forms of cooperative action in Europe and beyond.

C-Bird project and results are actively promoted in national and international conferences and forums, dedicated to promoting the cooperative idea and knowledge:

- “Fostering successful rural development through associative structures”, 19th March, 2014, Stara Zagora, Bulgari
- “Society of knowledge and success”, 14th May, 2014, Stara Zagora, Bulgaria
- “Exploring sources of support in rural and agricultural areas”, 17th June, 2014, Almeria, Spain
- “Researchers’ night”, 26th September, 2014, Almeria, Spain
- “Researchers’ night – Project corner”, 26th September, 2014, Stara Zagora, Bulgaria
- “National agrarian sector – element of the European agricultural regions in Strategy EUROPE-2020”, 6th -7th November 2014, Svishtov, Bulgaria
- “Unlocking the potential of the social economy for EU growth”, 17th -18th November 2014, Rome, Italy
- “International Interdisciplinary Conference on Cooperativism in the 21st Century Europe”, December 4th-6th, 2014, Bratislava, Slovakia
- ICA Research International Conference “Future of the Cooperative model: creativity, innovation and research”, 27th – 30th May 2015, Paris, France
- Representativeness of European Commission in Sofia, “Finance your dreams with EU”, 20th June, Sofia, Bulgaria
- 5th CIRIEC International Research Conference on Social Economy, 15th-18th July, Lisbon, Portugal
- 5th EMES International Research Conference on Social Enterprise, 30th June – 3rd July, 2015, Helsinki, Finland



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