



Casual labourers picking grapes in Lchkadzor, Armenia. Photo: Cristina García Rodero

# STRENGTHENING ARMENIA'S AGRICULTURAL SECTOR THROUGH MULTI-STAKEHOLDER NETWORKING

A case study on the Agricultural Alliance

**Agriculture plays a vital role in Armenia's economy, yet insufficient investment means productivity is limited and many smallholder farmers live in poverty, unable to realise the potential of their land. In 2011, Oxfam initiated a multi-stakeholder network – the Agricultural Alliance (AA) – which brings together civil society organizations to work on joint initiatives and advocacy to address problems in the agricultural sector. This case study aims to show the positive impact of the AA in Armenia, explore the challenges it faces, and suggest ways to develop more collaborative and efficient multi-stakeholder networking/partnerships.**

# 1 INTRODUCTION

## The role of multi-stakeholder networks

**‘Global governance is no longer viewed as primarily an intergovernmental concern but one that involves intergovernmental institutions, CSOs, citizens’ movements, transnational corporations, academia and the mass media.’**

*UNDP & CSOs: A Policy Note on Engagement*

Multi-stakeholder partnerships are an important tool to address a variety of challenges and provide solutions to complex problems. By sharing a range of perspectives and interests through transparent collaboration and joint initiatives, multi-stakeholder networks can make a greater impact on decision makers and can achieve collective goals through their positive impact on state policy processes.

The agricultural sector plays an important role in the Armenian economy. In 2014, agriculture made up 22 percent of the national GDP. According to the government, the growth of agriculture’s share in GDP was mostly due to an increase in production, which compensated for a considerable loss in other sectors of the economy. However, the state cannot ensure the funds needed to develop the agricultural sector, and in 2016 the state budget for agricultural spending is only 2.1 percent of the total country budget. The agricultural sector receives as much funding as the culture and sports sector; one-third of the funding received by healthcare; and less than one-quarter of the budget for education.

About 40 percent of the population live in 866 villages (out of a total of 915 villages) where agriculture is the main source of employment. Officially, the agricultural sector involves about 340,000 farms, and more than 90 percent of these are owned by smallholder farmers (with an average of 1.4 hectares of land). The high rural poverty rate (officially 31.7 percent of the total population live in rural poverty) is considered a direct threat to the sustainability and resilience of smallholder farmers.

## 2 ABOUT OXFAM'S PROGRAMME

To address the problems facing the agriculture sector in Armenia, as outlined above, Oxfam's strategy aims to enable:

- Advocacy and campaign work at national/provincial policy-development levels, through multi-stakeholder alliances (Agricultural Alliance, Mother and Child Health Alliance, etc.) in order to adopt and implement pro-poor and gender-sensitive agricultural and food security policies that can address the needs of smallholders.
- The establishment of rural businesses and social enterprises in the form of agricultural cooperatives at community level.

At national and sub-national levels, Oxfam engaged the Ministry of Agriculture to develop the SSARD 2015–2025 (expected to be adopted in Spring 2016); it also worked with the Ministry of Social and Labour Affairs and the Tavush provincial government (Oxfam's target province in Armenia) to create the Tavush Provincial Social Economic Development Plan 2016–2019.

The specific focus areas of these interventions are to:

- Create a conducive legal environment for smallholder farmers (e.g. by lobbying for and supporting the drafting of a law on agricultural cooperatives, etc.).
- Establish and enhance sustainable development of agricultural cooperatives to pool the efforts and resources of smallholder farmers to ensure greater benefits.
- Increase agricultural production and consumption by promoting mutually beneficial cooperation between farmers and processors.
- Increase smallholder farmers' resilience by using climate-adaptive technologies and improving their access to infrastructure development (e.g. agricultural insurance).
- Ensure gender mainstreaming is present in national and provincial policies.

Oxfam's community-level projects aim to:

- Establish agricultural cooperatives as sustainable rural businesses and social enterprises.
- Build capacity of smallholder farmers in innovative husbandry technologies.
- Introduce/provide climate-adaptive agricultural technologies (e.g. greenhouses with drip irrigation, cold storage facilities, resilient/high-value crops, etc.).
- Establish a fruit and berries processing plant.
- Provide easily accessible loans for cooperative members at a zero percent

interest rate.

- Scale up business models and campaign for their replication.

Oxfam is also targeting the communication gap between farmers and the government, by guaranteeing that farmers' concerns and expectations are included in policies (taking a bottom-up approach) and by ensuring that government policies/actions reach communities and farmers (a top-down approach). The key approach is the engagement of all relevant stakeholders through a multi-stakeholder alliance, the Agricultural Alliance (AA).

## BUILDING THE AA: A MULTI-STAKEHOLDER PARTNERSHIP

The AA was initiated by Oxfam in Armenia and established in 2011 as a volunteer-based, multi-stakeholder national platform. Its aim was to create joint initiatives and advocacy work in the agriculture sector. The alliance brought together 15 civil society organizations (CSOs) including local and international organizations, unions, and state scientific institutions, which are the main actors in the agriculture development sector.

AA members signed a MoU (Memorandum of Understanding) on 6 December 2011, and committed to long-term partnership and collaboration to find solutions to problems facing the agriculture sector. The AA members agreed to: cooperate to find solutions to existing problems in the agricultural sector by finding efficient tools and combining human and financial resources; carry out joint advocacy and lobbying on national policy making; exchange information and learning, and raise awareness among AA members.

AA stakeholders work in all regions of Armenia, in more than 200 communities; overall there are 10,000 beneficiaries. Members of the AA have different programme approaches and areas of intervention, including:

- National policy making and legislative changes.
- Education and consulting.
- Piloting new innovative project models at grassroots level.
- Agri-lending/loans-provision to smallholders.
- Gender issues and gender mainstreaming of national and provincial policies.

Each AA member organization is unique and has its own profile, vision and mandate in the agriculture-development sector in Armenia. The AA creates an enabling environment through rotating the management of its advocacy meetings and dialogues, ensuring equal ownership and input from all member organizations.

The main priorities for joint initiatives and collaborative advocacy work, as defined by AA members, are to:

- Enhance the efficiency of agricultural-resource use and the value chain; to improve the working conditions of smallholder farmers by promoting,

establishing and managing cooperatives.

- Recognize and assess the lack of professional knowledge in the agrarian field and the need for improvements in the consulting field.
- Improve access to innovation technologies, and to disseminate and exchange this information among smallholder farmers, processors and other relevant stakeholders of the agricultural sector.
- Address deficiencies in the seed-growing and pedigree livestock breeding systems/stations, and to establish effective mechanisms for developing them.
- Address the poor accessibility to credit and leasing conditions of the current finance system for the majority of farming households.
- Introduce an insurance system to mitigate the risk of natural disasters.
- Bring the quality and safety of agricultural production into line with international standards.

### 3 WHAT DID WE ACHIEVE?

During the five years, the AA worked on several issues in the agricultural sector, including access to loans, cooperatives development, gender issues, food safety, etc. One of the first and most important achievements of the AA was the establishment of a sustainable and cooperative relationship with the Ministry of Agriculture (MoA). This enabled the AA and its members to influence policy makers to develop or improve pro-poor and gender-sensitive agricultural policies and strategies.

The following examples are evidence of this:

- In 2013, the AA and the MoA signed a MoU setting a solid base for cooperation in agricultural development.
- In late 2013, the MoA established a working group involving the AA, by allowing its members to work on the development of the new draft Strategy for Sustainable Agricultural and Rural Development for 2015–2025. This allowed the AA to influence the content and approaches described in the country's main agricultural strategic document (see below, 'The SSARD 2015–2025').
- The AA will be further involved, together with the MoA, in the implementation and monitoring of the SSARD.
- Thanks to the AA's involvement, the SSARD became the first gender-mainstreamed strategic document in Armenia. It clearly condemns gender discrimination in the agrarian policy, as a separate objective.
- The other factor increasing the political and public importance of the SSARD is the participation (in addition to the AA) of all provincial and local stakeholders in the strategy-development process (bottom-up approach). The involvement of 10 provincial working groups meant that concerns and expectations relating to the draft strategy could be identified and communicated to the government. As a result, 89 percent of

recommendations from the working groups were considered and incorporated in the SSARD.

## THE SSARD 2015–2025

The new gender-sensitive Strategy of Sustainable Agricultural Development (SSARD) for 2015–2025 includes a complex problem analysis of the main issues hindering the development of the agricultural sector in Armenia, and provides mid- and long-term solutions to the existing problems. It includes 17 key strategic priorities, and sets out a clear vision for agriculture development; it also provides guidelines to achieve the main objectives and goals.

Stakeholders from all relevant institutions – micro-finance institutions, private sector representatives, the MoA, insurance companies, extension services, research and education institutions, gender organizations, banks, NGOs, farmers and farmer cooperatives as well as individual food security and gender experts – were all involved in the development process of the new SSARD.

## PUTTING THE STRATEGY INTO ACTION AT PROVINCIAL LEVEL

However, the existence of the SSARD doesn't guarantee its proper implementation. To ensure that the national strategy benefits smallholders, it is crucial that there is comprehensive and effective coordination and synchronization of national and provincial actions targeting food security and agricultural development. Regarding this, Oxfam and the AA engaged with the Tavush provincial government to develop a provincial Social Economic Development Plan (SEDP) that comprehensively addresses SSARD objectives at provincial level.

This collaboration, and the inclusive work facilitated by Oxfam between provincial government and CSOs on the development of a provincial policy document, was considered by the provincial municipality to be a unique and effective model of collaboration, and one that is replicable in other provinces of Armenia. The key outcomes of the engagement with Tavush government are as follows:

- The inclusion of gender mainstreaming in the 2012–2015 Tavush provincial Social-Economic Development Plan (SEDP). The scheme included recommendations for gender analysis and mainstreaming to be encompassed in provincial plans.
- The AA – thanks to one of its members, the ProMedia Gender NGO – developed the guidelines for gender analysis and mainstreaming of provincial development plans. The guidelines were approved by the Ministry of Social and Labour Affairs, and became mandatory for all provincial SEDPs.
- Engagement in the development of the Tavush SEDP 2016–2019 draft, including gender mainstreaming, with a focus on the main strategic

objectives of the SSARD. The food security and agricultural development components were also discussed and incorporated in the draft SEDP.

Some of the issues discussed were:

- The promotion of agricultural production in the province by increasing smallholder farmers' capability, and introducing innovative and climate-adaptive agricultural technologies.
- Supporting the creation of agricultural cooperatives in provincial villages, taking into account the basic and sustainable model of the Oxfam cooperatives.
- Working with food-processing companies in the province, and encouraging them to source raw materials from smallholder farmers and agricultural cooperatives.
- Engaging in a pilot agricultural insurance project.
- Acting as a mediator between farmers and government to improve access to government-subsidised agricultural loans.

## WHAT WORKED WELL

The success of the joint policy-making initiatives and advocacy were possible thanks to the combined efforts, resources and expertise of the AA members. The commitment of the MoA provided an open space for the AA to influence policy. Some of the key successes are highlighted below:

- The facilitation of in-depth discussions on issues related to agricultural development and the AA's further involvement within the SSARD.
- The presence of gender mainstreaming in the agricultural strategy draft, which prohibits gender discrimination in agrarian policy as a separate objective.
- The effective engagement with the Tavush provincial government, which led to the development of the draft Tavush provincial SEDP 2016–2019. This focused on food security and agricultural development, and was followed by a comprehensive gender mainstreaming of SEDP.
- Gender mainstreaming of the Tavush SEDP became the basis for the development of guidelines, Gender Mainstreaming of SEDP. Subsequent advocacy led the government to adopt these guidelines, which are now mandatory for all provincial governments when they draft their relevant development plans.

## WHAT DIDN'T WORK WELL

There has been only one failed AA initiative so far: the attempt to organise a joint (AA and MoA) public event in 2013, to publicise the findings of AA research into the implementation of some mid-term priorities/objectives of the Agricultural Strategy 2010–2020. At that time, the MoA was not ready for a collaborative, inclusive and open partnership with CSOs; for this reason, it did not support/encourage the idea of a joint public event. This unsuccessful

initiative created room for improvement and established the requirement for more effective collaboration in future.

## CHALLENGES FACED BY THE AA

The key challenge for the AA might be its sustainability, due to lack of financial resources and institutional capacity. To mitigate this, the AA aims to improve its institutional capacities by establishing management structures (coordinator/secretariat) which could be in charge of interaction between stakeholders (including non-AA members), signing agreements and making statements on the AA's behalf. A new AA coordinator should report on progress/challenges with regard to implementation of the AA's Action Plan at the end of each calendar year.

Further challenges, such as access to financial resources and the recruitment of staff and consultants, are due to the fact that the AA is not legally registered. To address these issues, the AA should find a way to diversify its funding sources. For example, some AA members have agreed to cover AA admin costs. Other AA organizations with insufficient financial resources to allocate to AA have committed to fundraise and to include separate sections in their budget proposals to cover AA institutional development and administrative costs.

## 4 WHAT HAS OXFAM LEARNED?

- The diversity of the AA's members is a great advantage for complex problem analysis and provides a solid base for successful joint advocacy in the agriculture sector.
- It is difficult to keep multi-stakeholder partnerships interested/active without a continuous flow of resources.
- Running a multi-stakeholder process based on the voluntary efforts of a few core animators is unlikely to be sustainable.
- In order to be effective, multi-stakeholder networks should be dynamic and flexible. Partnerships are not static, and interests can change over time. Stakeholders can change ideas regarding aspects of the partnerships, or may want to change their roles or identity. Changes are not always easy or wise.
- It is essential to diversify funding resources and fundraising efforts to secure the interests of multiple donors and increase the credibility of the partnership.
- The multi-stakeholder process needs to deal with inclusive or cross-cutting issues.

- Sustainable solutions to problems require sustainable processes that involve and engage stakeholders.

## 5 CONCLUSIONS AND NEXT STEPS

Successful advocacy work at national level requires the active and inclusive collaboration/partnership of many stakeholders in the target sector, including government and CSOs. Because of centralized governance, the establishment of mutually beneficial relations requires a gradual approach (including establishment of unofficial/semi-official contacts in the Ministry) to deliver the message that the project aims to support the government and not to undermine its policies.

Government should realize its own benefits from and ownership of the policy-making process. The government becomes more motivated and willing to cooperate if the project targets activities with high public importance and short deadlines.

Before offering a 'win-win' partnership/collaboration to government, the advocacy multi-stakeholder platform should properly identify the needs and gaps of targeted policies, or any strategic areas where the government would be willing to open the door to CSOs' assistance and expertise to improve policies and strategies.

An inclusive approach in national policy development – particularly a bottom-up/top-down approach (from farmer to government and vice versa) – increases the political and public weight of those policies as well as public trust in the government, thus creating positive conditions for effective implementation of the new strategies.

Government should engage civil society in the implementation of their policies, and particularly in the monitoring process, as this will increase transparency and public confidence and will create demand for civil society support actions.

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This case study was written by Vadim Uzunyan (Oxfam Economic Justice Programme Manager) and Alexey Petrosyan (Oxfam Economic Justice Programme Officer) with the support of Lilit Kochinyan (AA Coordinator). It is part of a series of papers and reports written to inform public debate on development and humanitarian policy issues.

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