



Baker, a founding member of the Farkha Cooperative, picks olives that will be turned into organic olive oil to be sold in the Gulf.  
Photo: Alun McDonald/Oxfam

## FROM GROVE TO MARKET

### Oxfam's Multi-Stakeholder Network Approach in the West Bank

Oxfam and partners have been working since 2005 to develop and overcome challenges facing the West Bank's olive oil sector, focusing on its export potential through quality improvements, organic production and attractiveness to the Fair Trade market. Oxfam has engaged many stakeholders in this process and has been instrumental in developing a collective vision for the Palestinian olive sector. This case study outlines its two-pronged approach, which combines direct assistance with acting as a facilitator to create a conducive environment for the olive sector, and assesses achievements to date.

# 1 INTRODUCTION

Olives have been a key commodity in Palestinian society for many years. Almost half of the arable land is devoted to olive trees, while almost 100,000 families (15 percent of the population) depend to some degree on the olive sector, either running their own small family businesses or working for others. Palestinian olive oil production is sufficient to meet domestic consumption, and some of it is exported. However, production costs in Palestine are very high, and only high-quality extra virgin olive oil can compete in the export market. The sector faces several constraints, as outlined below.<sup>1</sup> Women are mostly engaged in labour-intensive tasks, with little control over land ownership and productive assets or involvement in the marketing and sales of olive oil.

The following are some of the main constraints that Oxfam's programme aimed to address:<sup>2</sup>

- Unfavourable policy environment and low institutional capacity, with a severely underfunded Ministry of Agriculture (MoA) leading to ineffective investment and very limited support to olive farmers (in terms of extension services, marketing assistance, insurance). The Palestinian Olive Oil Council (POOC) was established by the MoA in 2009 as a public-private agency to develop the olive sector through policy, advocacy and technical advice along the value chain, and to be the main body regulating the sector. However, it lacks the (financial and human) resources to coordinate olive sector stakeholders, lead the development of the sector and raise its competitiveness in local, regional and international markets.
- Limited institutional development of farmers' organizations. Many subsistence and small-scale olive oil farmers are not part of registered cooperatives, while existing cooperatives and producer groups need strengthening and further aggregating. As a result, many smallholders, especially women, are excluded from the financial advantages of collective action such as joint storage, processing, marketing and increased market power. Collective harvesting and pressing is the only way for farmers to improve the quality and prices of their olive oil.
- Low and unstable olive oil productivity, due to seasonal fluctuation, poor production and quality practices, pests and diseases, declining soil fertility and ineffective water management.
- Limited marketing capacity. Most olive oil traders are traditional merchants or wholesalers who focus on the local market and have limited experience in developing the sophisticated packaging or distribution methods necessary to access external markets.
- Low capacity of local partners. There are several NGOs specializing in agriculture, but many lack capacity, and there is significant competition for external funding and a lack of coordination. There is especially a need for strengthening capacities in gender-sensitive community mobilisation, market mapping and M4P (Making Markets work for the Poor) approaches.
- Government of Israel occupation. The Israeli occupation and the 'separation wall' is one of the main obstacles to economic growth and agricultural development in the Occupied Palestinian Territory (OPT), restricting access to land and olive trees – and to internal, Israeli and international markets.

## 2 ABOUT OXFAM'S PROGRAMME

Funded by the European Commission (EC), the Swiss Agency for Development and Cooperation (SDC) and Oxfam, the Grove to Market (GtM) programme was implemented from 2011–2015 by Oxfam and four local partners, other diverse stakeholders and market actors.

The GtM programme aims for the following two outcomes:<sup>3</sup>

1. A policy, regulatory and business environment that contributes to pro-poor olive and olive oil value-chain development.
2. Income security of approximately 11,000 small-scale farmers, especially women, in areas of greatest food insecurity in the West Bank, which is enhanced through the improved functioning of the olive and olive oil value-chain.

These outcomes reflect a two-pronged approach: first, improving the enabling environment and bringing about systemic changes in the olive markets; and second, a more direct assistance approach to improve farmers' food and income security. Of the 11,000 smallholder farmers targeted, approximately 2,000 will be supported directly through existing and new producer groups, while the remaining 9,000 are expected to benefit from dissemination of best practices (production, value addition, marketing, collective action etc.) coordinated by the POOC, and from the improved enabling environment envisioned in the first outcome.

The programme has a very comprehensive design in terms of activities, approaches and objectives:

- **Programme activities:** addressing olive farming practices through climate-sustainable approaches; strengthening the production and service-aggregation capacity of small farmers' cooperatives and federations, and thus increasing their power in the olive oil market; starting up women's businesses that produce and market alternative olive products; engaging private sector companies to strengthen links with smallholders and improve their market strategies; and engaging with other stakeholders to improve overall operative environment.<sup>4</sup>
- **Approaches:** GtM used the M4P approach and VCA (value chain approach) with a focus on increasing food (and income) security of small-scale and subsistence farmers, by building the capacity of the olive oil institutional sector; introducing good agricultural pre-harvest and post-harvest practices; and promoting olive oil marketing. The GEM (Gendered Enterprises and Markets) approach was also used.
- **Objectives:** these include affordable, effective and innovative extension services; effective cooperatives and regional federations; ensuring women farmers gain greater benefits from the market and are able to influence decision-making; improved marketing and linkages; and increased capacity of relevant institutions to develop and enforce pro-poor policies and regulations which improve the functioning of the olive market system.<sup>5</sup> A final and critical objective relates to reducing impediments to the growth of the Palestinian olive oil sector at national, regional and international levels.

## Multi-stakeholder approach

A multi-stakeholder approach was taken to bring about alliances and aim for a collaborative approach towards a common objective<sup>6</sup> – a thriving olive sector that provides economic benefits to smallholders, especially women. Oxfam carried out a market analysis and a thorough stakeholder-mapping exercise to prioritize key stakeholders, identify potential resistance or incentives to engagement, and to consider what and how each stakeholder was expected to contribute and how each stakeholder's role would be sustained through market or other incentives after the project.

## The Programme Management Unit

The primary stakeholders were four local partner organizations: Economic and Social Development Centre of Palestine (ESDC), Fair Trade Development Centre (FTDC), Applied Research Institute (ARIJ), and the Business Women Forum (BWF). These partners had previously worked closely with Oxfam and each partner was well-positioned to address certain aspects of the programme.

Oxfam established a programme management unit (PMU) with these four partners, which meant that key employees of the PMU-member NGOs worked for 80 percent of the time at the Oxfam office and 20 percent at their own organizations. This resulted in improved programme management and team work, better communication and timely addressing of emerging issues, an improved joint understanding of the programme's vision and activities, and more effective engagement with and support of the programme's stakeholders. The various organizations were also exposed to each other's thinking and skills, Oxfam's participatory approach, and new connections. While there were some challenges to the PMU approach, these were strongly outweighed by the benefits.

## Key stakeholders and different domains for engagement

The programme also worked with a diverse group of other stakeholders, including:<sup>7</sup>

- Governmental organizations: such as MoA, Ministry of Labour, Ministry of National Economy, and Palestinian Standards Institution, to extend their support and services for the sector. Advocacy by GtM led the MoA to run a national-level campaign for the olive oil sector to fight fraud, smuggling and blending of olive oil, and other campaigns to rejuvenate olive groves and improve olive oil presses.
- Private sector: GtM facilitated linkages with cooperatives and farmers, enhancing the private sector's understanding of the challenges smallholders face. This included engaging with PalTrade, the trade promotion organization of the State of Palestine, which focuses on improving trade competitiveness.
- Farmers' representative bodies and cooperatives (women and farmers): As well as building their capacity, the programme involved cooperatives in developing selection criteria, conducting baseline research, developing monitoring and evaluation indicators, and undertaking social mobilization. The Palestinian Agricultural Cooperative Union (PACU) was established by agricultural cooperative unions to represent cooperative businesses in the olive oil sector, focusing on exports and quality.

- CBOs and NGOs: the programme worked to increase coordination and cooperation between NGOs, governmental organizations, private sector, cooperatives and farmers. This included Palestinian Agricultural Relief Committee (PARC), a leading NGO involved in rural development and women's empowerment.
- Representative bodies: GtM aimed to strengthen the role of representative bodies through capacity-building and enhancing their profile in the sector. These organizations included the POOC, the Palestinian Farmers Union (PFU) and the Olive Oil Cooperative Union (OOCU).

Through the stakeholder analysis, the programme identified different domains for engagement, with the overall aim of bringing about change through a facilitation approach. In principle this means that Oxfam does not become an actor in the market system, but instead focuses on identifying critical gaps in the market and working with (and improving the capacities of) the stakeholders involved to achieve systemic change. This facilitation approach tries to focus on the real binding constraints and root causes of the problem. The major challenge is the (unpredictable amount of) time it takes for change to happen, and the need therefore to identify and focus on the most critical levers for change, while not creating any new activities or services that cannot be sustained beyond the programme.

### 3 WHAT DID WE ACHIEVE?

The programme resulted in an impressive number of achievements,<sup>8</sup> but these are mostly the result of direct programme activities, and still at a limited scale:

Income from olive oil increased by 13 percent and farmers obtained higher prices for the oil. Availability of olive oil for household consumption increased from 24 percent to 40 percent during programme implementation. Olive oil losses were reduced in the press operations from 11.3 percent to 9.6 percent.

81 agricultural cooperatives or farmer groups benefited; 17 are women's groups. The programme benefited 464 women directly and 900 women indirectly, and women's economic participation in the olive oil sector increased.

Four federations of cooperatives were established. Approximately 9,000 subsistence and small-scale farmers increased their ability to generate income through greater awareness of best practices and improved functioning of the olive oil value chain.

- Pro-poor policy and advocacy resulted in major institutional developments, including the establishment of an olive unit within the MoA that focuses on sector development and policy making; and an institutionalized partnership between MoA and NGOs.<sup>9</sup>
- Another achievement is the change in mentality within the private sector; they are now interested in working with smallholder and women farmers and sourcing olive oil and other products from them.



## 4 WHAT WE LEARNED

By the end of the project, most of the reported early achievements related to outcomes associated with farmers and their organizations who were directly involved with project activities. In addition to these 'direct' beneficiaries, 9,000 'indirect' beneficiary households have reasonably increased their capacity to generate income, and it is reasonable to assume that the improved enabling environment achieved by the programme will contribute to this, and have a wider positive impact on smallholder farmers in the sector.

Clearly, the effectiveness and sustainability of the multi-stakeholder network are key factors in maintaining that confidence and momentum, and continuing to facilitate systemic changes affecting the olive sector. One of the key players, the POOC, has been revived through the project with new human and financial resources and a renewed legitimacy to develop and raise the competitiveness of the olive oil sector. This is vital to bring about the improved enabling environment envisioned by the project. However, the POOC's official status (and the government funding that would follow for its survival) has not yet been confirmed by a Presidential decree.

The GtM programme led to increased cooperation with proficient local partners (who now work as a single programme team), to new and improved working relations at all levels of the Palestinian Authority, to the establishment of cooperatives for women and men and autonomous farmers' federations, to strong links with the private sector (domestically and internationally), and to enhanced knowledge of the sector and the market. There is now a rich flow of tangible and intangible value between all these actors.

The impetus for this programme came about not from a donor perspective, but from an NGO perspective. The anticipated systemic changes and sustainability cannot be achieved within a single donor project timeframe, but needs to be envisioned long term. The programme led (for the first time) to two donors, EC and SDC, working together (mixing food security service delivery and market systems development) in West Bank and another donor, SIDA, was attracted to back the project by expressing the interest to support complementary activities. As such, Oxfam has been able to influence donor investments in the agricultural sector, and can potentially contribute to a more common and harmonized approach by donors.

A market facilitation approach requires patience and confidence; partner organizations and Oxfam staff had to get on board and learn new skills. It also requires a champion who keeps the momentum going and keeps partners and stakeholders on board. Moreover, the programme pursued a hybrid approach, using both direct implementation and facilitation, and two different teams are needed for this. Internal systems, including monitoring, evaluation, accountability, and learning (MEAL), are not suited to a facilitative approach.

The gap analysis identified a number of capacity gaps within the partners and stakeholders, but the design gaps were more critical. The tendency to start implementing instead of facilitating remains high, and it is always easy to miss the big picture or the root causes of why a market system is not working properly.

Market facilitation is never perfect, ideas are not foolproof, and direct support is still needed by the cooperatives, for instance. But Oxfam was able to move from being the sole custodian of change to engaging a network to own the changes. GtM attempted to engage more with the stakeholders, opening up new spaces (at national and local levels) for collaborations, but it remains to be seen whether they can exist on their own.

Oxfam's role is changing. Creating collaborative programmes instead of grant-based programmes requires a new work culture and systems that allow for controlled flexibility. When donors are involved in the stakeholder network, there is room for flexibility to implement activities that were not planned from the beginning.

There needs to be a deliberate shift from playing a direct implementation role to becoming more of a facilitator and engaging with other players and stakeholders in order to have greater, system-wide impact. Moreover, Oxfam needs to move towards less comprehensive and more strategically focused programme interventions. The GtM programme design aimed to influence all aspects of the value chain. In doing so, the design seems too broad and perhaps should have placed greater emphasis on key areas such as market facilitation.<sup>10</sup>

## 5 CONCLUSIONS AND NEXT STEPS

With the experience gained from the olive oil programming, OPT West Bank started a new programme in 2014 that included fruit and herbs as well as olive oil. In a sense, the olive oil programme set the stage for moving away from direct implementation at household and community level towards market systems approaches and facilitation. The work in the olive sector is not yet finished, and the new programme intends to further facilitate changes in the entire sector, e.g. through tree rejuvenation campaigns, improved access to markets, and above all, women's economic empowerment. Even though the programme was successful at integrating more women in cooperatives, their active participation has remained minimal.

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Anuj Jain (2013). *From Grove to Market: Gap analysis in programme strategy and capacity*. (Coady Institute)



# NOTES

<sup>1</sup> Oxfam GB (2015). *From Grove to Market: Case Study*

<sup>2</sup> Oxfam PTI (2011). *From Grove to Market: making the olive market work for subsistence and small-scale farmers in the occupied Palestinian territory*. (Grant Proposal to SDC)

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<sup>4</sup> Mohammed Sawafta (2015) *From Grove to Market: New business model strategy and capacity development for olive farmers in West Bank*. (Oxfam OPTI)

<sup>5</sup> Oxfam (2011). *Grant Application Form for EC-Food Security Programme in the occupied Palestinian territory*.

<sup>6</sup> This is outside the scope of this case study, but it would be worthwhile to compare this type of collaborative approach with other multi-stakeholder approaches, such as the Collective Impact model which has gained a lot of attention recently. See <http://www.fsg.org/areas/collective-impact>

<sup>7</sup> Mohammed Sawafta (2015) *From Grove to Market: New business model strategy and capacity development for olive farmers in West Bank*. (Oxfam OPTI)

<sup>8</sup> Oxfam GB (2015). *From Grove to Market: Case Study*

<sup>9</sup> Mustafa Ismael (2015). *From Grove to Market: Supporting olive farmers in the West Bank*. (Oxfam GB Case Study)

<sup>10</sup> Anuj Jain (2013). *From Grove to Market: Gap analysis in programme strategy and capacity*. Coady Institute.

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