

Economic and Social Commission for Western Asia (ESCWA)

National Agenda for the Future of Syria Programme

**Consultation Meeting on “Rethinking Cooperative Enterprises in Post-Conflict Agriculture and Integrated Rural Development in Syria”**

18-20 June 2019

Beirut, Lebanon

MZ Hall

**Information Note**

**I- Background**

In 2012, as part of its mandate to promote human development and democratic transition in the region, ESCWA launched the National Agenda for the Future of Syria (NAFS) programme. NAFS aims to engage Syrian experts and stakeholders in developing policy alternatives for Syria in preparation for a post- agreement phase. To formulate relevant and sustainable policies, NAFS planned to understand the situation in the country before the conflict, monitor the status quo and analyze the possible directions the country could take in the future. Policies proposed aim to address all aspects of Syria’s recovery, from reconstruction of physical damages to mitigation of the social and economic impacts of the protracted conflict. They are designed to reflect interlinked challenges and opportunities across sectors and are sequenced according to what key priorities will be during the peace building and state building phases. They are based on three pillars (1-Reconstruction and economic recovery, 2- Governance, institution building, and democratization, 3- Reconciliation and social cohesion), 5 cross cutting themes (1- Gender, 2- Civil society, 3- Human rights, 4- Environment, and 5- Sustainability,) and 3 enabling vehicles (1- Macro-economy, 2- Infrastructure, and 3- Governance). NAFS regularly studies the impact of the conflict looking at macro-economic developments, as well as sector-by-sector damages, needs and coping mechanisms.

In 2017, NAFS has launched the Strategic Policy Alternatives Framework (SPAF), a living document that is regularly updated to reflect the broadest spectrum of views and ensure that scenarios and policies are adjusted to respond to the evolving situation inside the country. SPAF is structured into nine nexus that capture the inter-linkages and interdependencies between sectors and clusters going toward a 2030 vision for Syria. The nexus has been tailored to meet the requirements of a country in conflict and sequenced according to what the priorities will be in Syria post-agreement. The meeting will focus on the role of cooperatives during the peacebuilding phase in Syria post-agreement and as they relate to the following nexus:

**Nexus of the Peacebuilding Phase of Syria post-conflict:**

1. Emergency Response, Relief, and Humanitarian Work
2. Building a Legal Framework and Intuitional Rehabilitation

3. Reconciliation and Social Cohesion
4. Rehabilitation of Physical and Social Infrastructure

## **II- Context of Agriculture and Cooperatives in Syria**

Throughout the 2011-2016 period, the damage of infrastructure assets, disruption of marketing networks, decrease of agricultural production, reduction of access to agricultural inputs, reduced value of agriculture outputs, and a significant internal displacement rate all have led to an overall estimated damage and loss of \$16 billion in the agriculture sector in Syria<sup>1</sup>. Nevertheless, the sector remained the second largest contributor to GDP after government services. It accounted for an estimated average 26% of the total GDP between 2011 and 2016 compared to an average of 21% for the period between 2009 and 2011. This significant higher contribution to GDP is mainly due to the decrease of the total GDP that suffered from a 40 to 60% reduction and serious trade fell since the rise of the crisis. In 2013, 80% of rural citizens, which constitute half of the whole Syrian population, were practicing agriculture as a main source of income. Through agriculture, internally displaced people (IDPs) strengthened their resilience by improving their food security and nutrition self-reliance in rural and urban areas. The sector is strategic to encourage returns, reconciliation, local economic development, water security, natural resource management, and poverty alleviation.

Supporting state-led agriculture cooperatives dominated agriculture and rural development policies in Syria. Agriculture cooperatives in the pre-conflict period were highly subsidized and were initiated to support the government in managing production, marketing and access natural resources (rangeland, water, etc..). The government promoted the cooperative's socialist school of thought under which cooperatives are considered a socialist institution falling within a centrally planned rural socialist economy. Accordingly, most cooperatives in pre-conflict Syria lacked autonomy and independence, were characterized by weak governance and sense of ownership, and were financially dependent on the state or donors. Their contribution to producers' socio-economic development was limited. Their pre-conflict status almost contradicts with the values and principles of cooperatives that are globally adopted by the International Cooperative Alliance (ICA), which is an independent non-governmental organization uniting, representing, and strengthening cooperatives worldwide. ICA defines cooperatives as "an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise". Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. They are structured on a set of principles which represent the nature of operating rules in cooperative enterprises.

Cooperatives, as members owned and democratically controlled alternative enterprises, demonstrated traditionally that they are the most efficient socio-economic model that promotes resilience and local development in remote areas. Their role in mitigating tension and fostering social cohesion is well documented under a conflict context.

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<sup>1</sup> FAO. (2017). Counting the cost: Agriculture in Syria after six years of crisis. Retrieved from <http://www.fao.org/3/b-i7081e.pdf>

Donors and implementing agencies engaged in restoring agriculture value chains in Syria need an institutional model that ensures sustainability in the delivery of services and goods to producers. For instance, in a recently conducted study to understand market drivers in Syria, findings recommended the promotion of farmers' cooperatives that are owned, organized, and managed by the farmers themselves<sup>2</sup>. Policy alternatives are essential to promote an enabling environment for agriculture cooperatives in post-conflict Syria and their potential in improving resilience under conflict should be more studied.

### **III- Objectives of the meeting**

In this context, NAFS is organizing a meeting on "Rethinking Cooperative Enterprises in Post Conflict Agriculture and Integrated Rural Development in Syria". The aim of the meeting is to understand the contribution of agriculture cooperatives to improved resilience, food security and social cohesion in Syria and to strategize how cooperative enterprises should be restored and better positioned to play an efficient role in improving the socio-economic conditions of Syrian producers under post-conflict recovery and reconstruction.

The reflections of the three-day consultation meeting will produce a set of policy recommendations, key messages, lessons learned, and basic principles to set the ground for a competitive cooperative sector that is able to improve productivity and competitiveness of small producers in Syria and eventually improve their resilience to various agriculture shocks including drought, market disorders, etc.

The specific objectives of the meeting are:

- Discuss the status of pre-conflict agriculture cooperatives in Syria to understand specific challenges and the role envisaged by producers' members (food security vs. economic and rural development)
- Share knowledge and lessons learned in rebuilding the cooperative sector in Arab countries Lebanon, Iraq, and Sudan
- Deliberate on policy recommendations and ways to support the members' owned and independent cooperative sector in Syria
- Analyze the potential role agriculture cooperatives in Syria can play in the contribution to economic recovery in Syria post-conflict and SDG2.

### **IV- Participants**

Participants in the meeting include technical experts from the region in agriculture and cooperative enterprises development, as well as stakeholders from academic and research institutions, public sector, farmers' organizations and UN organizations.

### **V. Participation and Registration**

Participants need to confirm their participation before 27 May 2019.

The meeting will take place during 18-20 June 2019 at the UN House, Riad El Solh Square, Beirut, Lebanon.

Arabic and English are the working languages of the meeting and interpretation services will be available.

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<sup>2</sup> Syria Independent Monitoring (SIM) 2018. Understanding market drivers in Syria

## **VI. Correspondence**

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National Agenda for the Future of Syria Programme (NAFS)- **Consultation Meeting on  
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Development in Syria”**

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## AGENDA

### Day 1: 18 June 2019

09:00-9:30

**Registration**

09:30-10:00

**Welcome and opening statements**

- ESCWA
- FAO
- WFP

**Tour de Table**

10:00-10:30

NAFS introduction and importance of the agriculture sector in the 4 Nexus of the peacebuilding phase in post - conflict Syria - General update - Agenda details

10:30-11:00

**Coffee Break**

**11:00-13:00**

**Session 1: Role of cooperatives in pre-conflict agriculture development policies in Syria**

- History of agriculture cooperative enterprises in Syria and their role in government agriculture development policies
  - Role of the Apex organization and the agriculture cooperative bank in increasing efficiency of services and access to finance
- General Q & A

**13:00-14:30**

**Session 2: Agriculture cooperatives and members' socio-economic benefits in preconflict Syria**

- Members' socio-economic benefits and services offered by cooperatives:  
Impacts on income, production, and access to the market

- State-led agriculture cooperatives in Syria - control problem and subsidies' effects on membership, governance, and growth
- Union's role in serving farmers before, during, and after the conflict, with a focus on changes in ways they were and are doing business

14:30-15:00

General Q & A

**Coffee Break**

**15:00-16:30**

**Session 3: Status of Agriculture cooperatives under a protracted conflict and low food security in Syria: Adaptation and role envisioned by main actors**

- Effect of the protracted conflict on agriculture cooperatives in Syria: Access to production inputs and delivery of social services
- Experience of FAO in the delivery of humanitarian aid in Syria
- Use of cooperatives to promote agriculture livelihoods in Syria- programming direction, impacts achieved and challenged encountered

General Q & A

Wrap-up

**Day 2: 19 June 2019**

**09:30-11:00**

**Session 4: Learning from neighboring countries experience - Lebanon case study**

- Role of cooperatives in agriculture development policies and emergence after the war: How could the agriculture cooperative sector be better positioned to achieve national and local policies?
- Post-war general status of agriculture cooperatives, limitations in the coop law, and best practices to improve members' socio - economic conditions, Current challenges from unstructured revival and restoration
- Post-war cooperative enterprises and agriculture development in Lebanon - a lost attempt for small farmers
- The gender dimension in long-term cooperative enterprise work in remote areas that witnessed conflict due to the Syrian crisis

11:00-11:30

General Q & A

**Coffee Break**

**11:30-13:00      Session 5: Iraq and Sudan Case study**

- Role of cooperatives in agriculture policies and emergence after the war, including general status, limitations of the cooperative law, and best practices for proper restoration
- Lessons learned from Sudan on the role of cooperative and challenges encountered under conflict
- Initiation of producers' cooperatives under the Ministry of Agriculture and Forests in Sudan starting 2011 - complementary role to cooperative enterprises
- Death of agriculture cooperatives in Sudan - early mistakes that couldn't be fixed

General Q & A

**13:00-14:30      Session 6 : Cooperatives and post-conflict rural development in Syria- a theoretical framework**

- Open discussion on lessons learned from neighboring countries and their implications for agriculture cooperatives in post-conflict Syria

**14:30-15:00      Coffee Break****15:00-16:30      Session 7: Cooperatives and post-conflict rural development in Syria- a theoretical framework**

- Adaptation of the International Cooperative Alliance (ICA) model to the Syrian context- challenges and pre-requisites for success in promoting SDG2 targets (Zero Hunger)
- The social asset of cooperatives in rebuilding the agriculture sector and promoting rural development in post-conflict Syria
- The importance of the institutional framework in promoting good governance in post-conflict reconstruction

General Q & A

**Day 3: 20 June 2019****09:30-11:00      Session 8: Humanitarian and development organizations' experiences in relying on cooperative enterprises under conflict and post-conflict contexts**

- FAO's experience in supporting the cooperative model for agriculture development in Lebanon
- Experience of working with cooperative enterprises to deliver humanitarian and development programmes in Lebanon with a focus on integrating Syrian refugees
- FAO Experience with cooperative enterprises to deliver humanitarian and development programmes in the Arab region
- Overview of WFP's engagement with cooperatives and lessons learnt at the regional level - Sudan, Iraq, Kyrgyz Republic, Lebanon, Syria

Plenary discussion on recommendations for post-conflict role in Syria

11:00-11:30

**Coffee Break**

**11:30-12:30**

**Session 9: Role of Agriculture in the Recovery and Reconstruction of Syria post-conflict**

- Role of Agriculture as an indigenous driver for economic recovery in post conflict Syria
- Supporting agricultural value chains to improve livelihoods in rural areas

**12:30-15:00**

**Session 10: Policy recommendations and key messages to restore agriculture cooperatives in Syria post-conflict**

- 3 Groups to work on key policy recommendations to develop agriculture cooperatives in post-conflict Syria
- Pre-requisites to avoid common challenges
- Conclusion and way forward
- General Q & A