

EMPOWERING RURAL STAKEHOLDERS

REPORT FROM THE TRAVELLING
WORKSHOPS AND THE CONFERENCE IN
MONTENEGRO

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European
Commission



MONTENEGRO in figures

- Inhabitants: 621.081 (2012)
- Capital: Podgorica (155.750 inhabitants)
- Population density: 45 inhabitants/km²
- Independent state since 2006
- 2008 applied for EU membership
- 2012 started accession negotiations with EU
- Eligible for pre-accession assistance under Component V of IPA (IPARD I) to strengthen the agricultural and food processing sector
- 38,7 % of all employed people working in agriculture, from that 44% older than 55 years
- 73% of agricultural holdings less than 2 ha
- Share of agriculture in GDP: 9%
- Share of rural population: 38,5%

Travelling Workshop - Group 1



13 participants
from
6 countries

Main tour
destinations:
DANILOVGRAD
NIKŠIĆ
PODGORICA
VIRPAZAR

Travelling Workshop – Group 2



15 participants
from
7 countries

Main tour
destinations:
CETINJE
PODGORICA
KOLAŠIN
TOMAŠEVO

MONTENEGRO
consists of 22
Municipalities.

TW – Group 1
visited
South – West part

TW – Group 2
visited
North – East part



Day 1 - Travelling Workshops Programme

Group I		Group II
Briefing of the group in Hotel Podgorica		
Visiting the cheese production. "Čevo – Katunjanka" (Mr. Vlado Vukotić)- Danilovgrad		Visit to the honey producer Lidija Martinović-Cetinje
Visit to Household Dragice Mirjačić (production cornel - Cornus mas), Bršno/Nikšić		Visit (tour) Old Royal Capital Cetinje
Lunch Break – Joint lunch in hotel Maršal-Nikšić with the president of municipality and presentation of LEADER approach		Visiting mushroom producer Emica Bogdanović-Podgorica
Visits to organic farms and apple brandy production (Mr. Rajko Pavličević) Rastovac/Nikšić		Lunch break, Presentation of agriculture in the municipality of Podgorica with the representatives of Municipality
Visit to a dairy farm (a good example of using MIDAS funds to support rural development). The hosts are young farmers (Family Pantović)		Visit to vinery Rajković (Kuči) Podgorica
Dinner and overnight in Nikšić		Dinner and overnight in Kolašin

CHEESE PRODUCTION (Mr Vukotić)

- Family company (7 full time employees)
- Cheese processing unit (3.000l per day)
- Supplied by 40 milk producers
- Member of cooperative and cluster of cheese producers (South Montenegro) to access the market
- Well informed by the Chamber of trade
- Attendance of seminars and information meetings with authorities
- Administration provides active information
- Issue: lack of association with traders ,
lack of milk collection



Cornel production family farm (Household Mirjačić)

- Niche organic production (13 products; 1 product certified)
- On-farm direct selling
- Established as a company and NGO for promotion
- Collaboration with tourism organisation and municipalities (participation to regional events)
- NGO international collaboration (Austria, Croatia and Bosnia)
- Issue: lack of specific equipment for cornel, cost of organic certification



Apple and apple brandy production (Mr Pavličević)

- 1300 apple trees
- Direct sales
- Member of the board of organic producers national association (« Organic Montenegro » - 30 members)
- Establishment of this association was supported by the government
- Good information on policy support
- Issue: organic production needs education and marketing



Dairy farm of Pantović family

- Young farmer originating from Canada
- Milk and meat production
- New stable co-funded by the MIDAS national programme
- Used consultancy to prepare application
- Member of beef producers association
- Participation to information meetings



Honey producer Lidija Martinović - Cetinje

- Third generation of honey production – family tradition
- Diversity of products (food, therapy, cosmetics)
- Only direct selling (most in the cooperation with tourist agencies)
- Plans to grow and invest in tourist capacities to sell on the farm
- Integrated in the association of 7 beekeepers



Mushroom producer

Emica Bogdanović - Podgorica

- Yearly production: 120 t
- 5 permanent staff (4 from the family), 2-3 seasonal
- Expanded through MIDAS project (50% co-financed by MA and WB)
- Selling at market place and to the food stores and restaurants
- Oscillating demand – need for processing (investments)
- Using rests – composts in the agriculture production



Vinery Rajković – Kući / Ubli

- Two brothers at 1 ha vineyard, possible growth up to 3 ha
- Combining part-time vine growing with rural tourism
- Investment with MIDAS support
- Active involvement in the national vine growers association
- Strong brand, direct selling, fairs



Common remarks – day 1

- Closeness of the city can be advantage in selling products
- Cases related to rural tourism
- Client-oriented producers
- Development impact (products, infrastructure)
- Confidence “we can do it”
- Relying on the own resources
- Small scale, family oriented entrepreneurial approaches



Day 2 -Travelling Workshops Programme

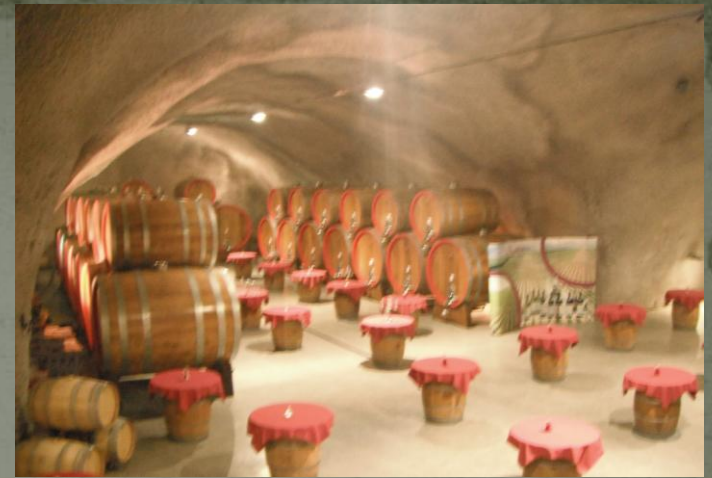
Group I		Group II
Departure from Nikšić		Departure from Kolašin
Visit of the nursery Mr. Veselin Jovović, Danilovgrad		Visit to producer Vučko Pešić - Tomaševo
Visiting Plantaže (vine cellar, orchard)		Visit to farm Taurus (beef fattening) - Pavino Polje
Visit to greenhouse/open field vegetables production Gjon Dedvukaj (Tuzi)		Visit to diary Milka - Pavino Polje and Ivan Medojević - Tomaševo
Lunch Break in Virpazar		Lunch break in Etno Village Vuković-Tomaševo
Visit to the organic honey producer Marjan Plantak- Virpazar		Going back to Podgorica

Greenhouse production (Family farm of Mr Veselin Jovović)



- 700 t/year of vegetable and herbs
- 11.000 m² of greenhouse space plus 15ha of open-field production
- 10 to 15 full-time employees depending on season
- National player on the market - direct selling
- Beneficiary of a credit from national programme (heating system)
- High technical knowledge by attendance of seminars
- Collaborating with the Faculty
- Not active member of any producers association

Company Plantaže



- Biggest export company in Montenegro
- Export towards 40 countries
- 800 awards in international fairs
- 2.314 ha vineyards (23km²)
- 22 million kg wine grapes (using local grape varieties) and 17 million bottles sold annually
- 700 employees (2000 migrant seasonal workers during the grape harvest)
- Contracts with small producers

Greenhouse/open field vegetables production (Family farm Dedvukaj)



- 2000m² covered areas
- Supported by a national programme for one greenhouse and wood heating system
- Cooperation with other companies (marketing use of pesticides...)
- Not member of an association; « The association is not active, only on paper »
- Issue : application for funding refused (advisory service was not used)

Organic honey producer Marjan Plantak



- Pioneer in his field
- 1st organic honey producer with certificate
- Active member of the national beekeeper association (2000 members)
- The NGO is managing a support scheme delivering individual support for equipment (incl. monitoring tasks)
- One specific measure in MIDAS
- This is facilitating the access to funding

Family farm Vučko Pešić - Tomaševo

- Moved from the city Bijelo Polje to the farm, started with 3 cows and 20 sheep, making also spirits
- FAO project stimulated cooperation of farmers, providing machines,; later MIDAS project
- Now 20 cows, producing 400 lit milk/day; plans up to 1.000 lit
- Specialized in the traditional cheese production
- No problems with selling



Taurus – beef fattening

- 130.000 € invested in the agriculture business with 4 employed local people
- 190 beefs, only 1 ha own land, buying animals and the food
- 8 years contract with the slaughter Mesopromet Franca from Bjelo Polje(800 employed people)
- 22 similar businesses in last 4 years – environment !?
- Financial support from the state (120 €/cow/year plus 50% of investment)



Diary Milka – Pavino Polje

- Company (Ltd.) with 12 employees
- 2.200 lit milk/day from 4 districts ; 75 – 100 farms
- Investments to process 3.000 lit
- Cleaning waste waters
- Strong hygiene control
- Milk processing supported by the state policy through subsidies for milk producers



Family farm of Ivan Medojević – Tomaševo



- Part-time farming with 10 cows,
- Selling milk to the factory in Danilovgrad (employed)
- 60% own land, the rest is rented
- Plan to extend to 20 cows
- Member of the association with 9 farmers, sharing machines and helping each other
- Fear from the credits

Common remarks - day 2

- Predominantly family based or one product oriented agriculture
- Rural area far from cities
- Employees are locals or family members
- Mixture of life-style farms and industrial agriculture
- Invisible subsistence farming
- Country-wide producers with international potential
- Very little rural development outside of agriculture

Strengths seen at the TW in Montenegro

- There is dialogue between stakeholders and authority
- Rural actors are informed about policy
- Civil society organized (in some sectors only)
- Existing Rural Network in Montenegro
- Visited stakeholders are potential village leaders
- Many cases of successful associations, providing common machinery and working in cooperation
- Many potentials in organic agriculture and local branding (excellent cases)
- Strong links to the roots, tradition, families
- Diversification of agriculture is present

Recommendations from the TW

- Importance of trustbuilding between local initiatives and administration
- Rural development is much more than agriculture
 - Competitiveness agenda
 - Co-operation agenda
- Need for partnership development with the other regions/countries with good experiences of civil society
- To make successful NGOs visible
- Building local partnerships
- Creating institutional support system for partnerships

Conference EMPOWERING RURAL STAKEHOLDERS IN MONTENEGRO

- Minister of Agriculture Mr. Ivanović expressed strong will of Montenegro to access EU with clear vision how to do it:
 - Legislative coherence
 - Organic food production and forestry
 - Linking of agriculture with rural tourism
 - Emphasis on food processing
- Representative of the EC Delegation in MNE mentioned 3 objectives of EU / MNE agriculture:
 - Viable food production,
 - Environmental implications of the agriculture,
 - Balanced territorial development,... and pointed at the importance of the Local Action Groups, which are using endogenous development potentials at the sub-regional level

Conclusions from the conference (1)

- Local development is one of the most efficient processes – involving people on the ground and combine with broad political agendas – ownership
- Important role of the civil society in the rural development
- Huge potentials of the Northern part of Montenegro
- Large multiplication effect of the Local Action Groups
- Learn from the lessons from other countries, not utilizing available EU funds (late accreditations)
- Urgent building of institutional capacities for more effective absorption of the EU fund

Conclusions from the conference (2)

- Urgent need for the LEADER like measures in IPARD
 - Establishing few pilot Local Action groups
 - Designing the Local Development Strategies
- Opportunities for agribusiness but in the same time care for environment and local employment
- Restructuring of agriculture while joining EU
- Simultaneously building the capacities of civil society and capacities of administration
- Combining bottom-up initiatives with top down instruments
- Not forgetting the significant share and important role of the subsistence farming

THANKS TO ALL PARTICIPANTS
OF THE TRAVELLING
WORKSHOPS AND
CONFERENCE IN MONTENEGRO!

EMPOWERING RURAL STAKEHOLDERS
IS NEVER ENDING PROCESS WITH ENDLESS POTENTIALS

Goran Šoster, PREPARE