



PR1 Inspirational package

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Rural Women's Empowerment
through Green Social
Entrepreneurship in SERBIA



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Rural Women's Empowerment through Green Social Entrepreneurship - WE-GREEN

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National context

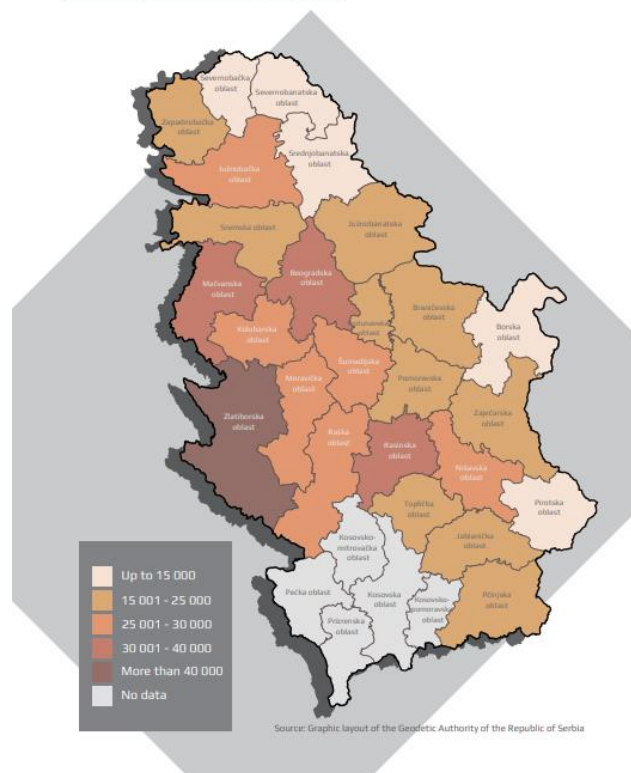
The Republic of Serbia is geographically located in the Southeast Europe, as a part of Western Balkans countries. Based on data of Statistical Office of the Republic of Serbia¹, estimated population in Serbia in 2021 was 6.834.326 and 51,3% of general population are women – 3.507.325 citizens.

The territory of the Republic of Serbia is not categorized on urban and rural areas, but it is estimated that more than 40% of population lives in territory which could be categorized as rural area. According to Farm Structure Survey (FSS) 2018 of SORS², number of agricultural holdings in Serbia is 564.541, mostly family holdings - 562-896. Most of agricultural holdings have one or two members with share of women in 59%. Holding managers are mostly man - 84,7%.

In the last two decades, the economy of Serbia records economic growth beside negative impacts of global financial crisis and the Covid-19 pandemic negative impact on economy. In comparison with 4.2% of annual GDP growth in 2019, Serbian economy recorded negative growth balance of 2.5 % in 2020 caused by Covid-19 crises. Unemployment rate in Serbia is lowest in the region but higher than the European average. According to Official Labour Force Survey³ for 2020, “the unemployment rate amounted to 9.0%, which is a drop of 1.4 percentage points (p. p.) compared to 2019, while the employment rate amounted to 49.1%, which is a growth of 0.1 p. p.”

As a one of the main problems, Serbia is facing with internal (from undeveloped to urban areas) and external migrations. According to WFD and Institute for Development and Innovation research “Serbia has one of the highest youth emigration levels in the Balkan region.”⁴ Serbia does not have official data about external migrations but OECD “estimates that 598.200 people have emigrated from Serbia in the last 20 years, and this number is only for people who immigrated to the countries members of this organization.”⁵

Share of agricultural holdings by areas



¹ Statistical Office of the Republic of Serbia

² Statistical Office of the Republic of Serbia, *Farm Structure Survey (FSS) 2018, 2019*

³ Statistical Office of the Republic of Serbia, *Labour Force Survey in The Republic of Serbia, 2020*

⁴ WFD, *Youth emigration costs Serbia €1.2 billion a year*

⁵ Strategy on Economic Migration of the Republic of Serbia 2021-2027

Rural entrepreneurship

Without legal framework, we have not exact definition, but rural areas in Serbia can be described as areas outside of urban centers with less developed infrastructure than urban areas, characterized by agriculture, forestry, and other natural resource-based industries.

Rural entrepreneurship in Serbia refers to the variety of fields, mostly agriculture, tourism, and craft production. In recent years, there has been a growing trend towards rural entrepreneurship in Serbia as a means of stimulating economic development in these areas and improving the quality of life for rural residents. Also, the pandemic of COVID-19 has affected to some part of society to back from urban to the sub-urban areas or villages.

According to information presented on “Women Entrepreneurship - Connect to Create and Accelerate Your Business”⁶, the number of entrepreneurs in rural areas of Serbia has increased in recent years. In 2019, there were approximately 130,000 rural entrepreneurs in the country, representing around 15% of all entrepreneurs in Serbia. Around 30% of rural entrepreneurs in Serbia are women. These women are often involved in businesses related to agriculture, craft production, and tourism, and they play a vital role in the economic development of their communities.

One of the key challenges facing rural entrepreneurship in Serbia is the limited availability of resources and infrastructure in these areas. Many rural areas lack access to capital, markets, and other resources that are necessary for businesses to grow. In addition, there is often a lack of trained personnel and specialized knowledge in rural areas, which can make it difficult for entrepreneurs to start and grow their businesses.

Despite the growth of rural entrepreneurship in Serbia, there are still significant regional disparities in terms of the number and types of businesses that exist in different parts of the country. In general, rural areas in central and western Serbia tend to have higher levels of entrepreneurship, while rural areas in eastern and southern Serbia tend to have fewer businesses. This is due in part to differences in infrastructure, access to resources, and other factors.

The business activities of individuals in rural regions, predominantly related to agriculture and crafts, significantly impact the standard of living and preservation of life in those areas.⁷ By providing employment opportunities and generating income, these businesses can help to reduce poverty and improve the quality of life in rural areas. In addition, rural women entrepreneurs can also serve as role models and inspire other women in their communities to start their own businesses.

In addition to providing economic benefits, rural women entrepreneurship can also have positive social and cultural impacts. Many rural women entrepreneurs are involved in preserving traditional crafts and cultural practices, which can be an important source of pride and identity for their communities. These businesses can also serve as a source of empowerment for rural women, giving them the opportunity to be independent and make their own decisions about their businesses and their lives.

⁶ [Women Entrepreneurship – Connect to Create and Accelerate Your Business](#)

⁷ Milan Krkobabic, the Minister for rural welfare, states that 1,200 settlements in Serbia have no residents and 550 have less than 100 residents. He cites inadequate conditions as the main problem for their existence – Daily newspaper Politika, 24/01/2019.

Legal framework

The first lines of social entrepreneurship in Serbia could be recognized in the 19th century through the establishment of cooperatives. The first cooperative in Serbia was founded in 1846, immediately after the formation of first cooperatives in Europe. Also, the first Union of cooperatives in Serbia was founded in 1895 and as national association participated in the founding of International Cooperative Alliance – ICA⁸ in 1895. Three years later, in 1898, the first Law on Agricultural and Craft Cooperatives in Serbia (srp. Zakon o zemaljoradničkim i zanatskim zadrugama)⁹ was adopted. Today, in the sector of social economy, cooperatives, civic associations, limited liability companies and registered entrepreneurs – legal entities which work on the principles of social economy and therefore it is difficult to determine the exact number of social enterprises in Serbia.

After years of preparation and discussions of draft document, National Assembly of Republic of Serbia on 4 February 2022 adopted the Law on Social Entrepreneurship¹⁰ which entered into force on 15 February 2022. According to Article 1, with this Law, Republic of Serbia regulates the concept, objectives, principles and area of activity of social entrepreneurship, legal position, rights and obligations of entities performing activities under the status of social entrepreneurship, conditions for acquiring and terminating the status of social entrepreneurship, the concept of socially vulnerable groups, encouragement of the development of social entrepreneurship and the support for socially vulnerable groups, registration of the social entrepreneurship status, reporting, supervision and other issues of importance for social entrepreneurship in the Republic of Serbia.

Before adoption of the Law on Social Entrepreneurship, social economy activities were partly legally framed through Law on Cooperatives, Law on Associations, Law on Social Protection, Law on professional rehabilitation and employment of persons with disabilities, Law on Business, Law on Profit Tax, Law on Value Added Tax and other legal regulation and strategic documents.

Beside adopted Law on Social Entrepreneurship, the Serbian government formed Council for social entrepreneurship and started with the preparation of Program for social entrepreneurship with aim to support current and formation of new social enterprises¹¹. Also, the Serbian Chamber of Commerce (PKS) formed the Social Entrepreneurship Section¹² to work on sustainability, innovation and market orientation of social enterprises.

⁸ International Cooperative Alliance – ICA <https://www.ica.coop/en>, 8/9/2022

⁹ Ministry of Economy, *Cooperatives in Serbia*, <https://www.privreda.gov.rs/oglasna-tabla/zadugarstvo-u-srbiji>, 8/9/2022

¹⁰ Official Gazette of the RoS, No.:14/2022 (*Translation in English provided by the Coalition for Solidarity Economy Development - https://www.diesis.coop/wp-content/uploads/2022/03/The-Law-on-Social-Entrepreneurship-ENG-1.pdf*)

¹¹ National television of Serbia, *Brnabic: We are developing an inclusive society with equal opportunities for everyone*, <https://www.rts.rs/page/stories/sr/story/125/drustvo/4873553/zakon-o-socijalnom-preduzetnistvu-.html>, 8/9/2022

¹² Serbian Chamber of Commerce: *PKS formed the Section for Social Enterprise* - <https://pks.rs/vesti/pks-formirala-sekciju-za-socijalno-preduzetnistvo-6200>, 8/9/2022

Law on Agriculture and Rural Development¹³ is regulatory framework for agricultural policy and rural development in Serbia. In the Article 3 are defines objectives of agricultural policy and rural development policy of the Republic of Serbia:

- 1) Strengthening competitiveness of agricultural products on the market;
- 2) Providing high-quality and safe food;
- 3) Providing support to the living standard of farmers that cannot, through their own production, ensure economic survival on the market;
- 4) Providing support to rural development;
- 5) Protecting the environment from adverse effects of agricultural production.

Also, this Law is important for define main documents for the development of rural areas:

- Agricultural and Rural Development Strategy – define long-term courses of agricultural development, in particular: establishment of market economy, increase of agricultural profitability in the Republic of Serbia and care for development of rural areas. From 2014, in Serbia is in force Strategy of agriculture and rural development of the Republic of Serbia for the period 2014-2024¹⁴.
- National Agricultural Program – define medium and short-term objectives of agricultural policy, manner, order and deadlines for achieving abovementioned objectives, expected results, as well as form, type, purpose and volume of certain incentives.
- National Rural Development Program – define measures and other activities, as well as expected results, forms, types, purposes and volume of certain incentive measures related to rural development.

At the moment is Serbia are ongoing consultation processes for adoption of National Agricultural Program and National Rural Development Program for the period from 2022 to 2024.

Recognizing the importance of rural areas in the Republic of Serbia, in 2020 was formed Ministry for the Care of the Villages¹⁵. Ministry performs the tasks of state administration and related professional tasks related to: strategic assessment of the position of villages and the rural population; proposing measures and activities to improve living and working conditions in the countryside; nurturing traditions and the traditional way of life in the countryside, in order to preserve the cultural and historical contents of rural areas.

As important for women in rural areas, the National Strategy for Gender Equality for the period from 2021 to 2030¹⁶ recognizes the economic position of rural women. Strategy emphasizes that existing support for women in agriculture and rural development is insufficient and it is necessary to replace it with systemic support that contributes to sustainable changes and improving the quality of everyday life in the villages.

¹³ Official Gazette of the RoS, No.:41/2009, 10/2013, 101/2016, 67/2021 and 114/2021

¹⁴ Official Gazette of the RoS, No.: 85/14

¹⁵ Ministry for the Care of the Village - <https://www.mbs.gov.rs/index.php>

¹⁶ Official Gazette of the RoS, No.: 103/2021

Green social entrepreneurship (eco-social entrepreneurship)

Adoption of the Law on Social Entrepreneurship¹⁷ in Serbia introduces the term environmental protection through the principle of sustainable growth and development under the Article 3 that implies that social entrepreneurship and incentives for social entrepreneurship shall be planned and implemented while considering:

- requirements pertaining to environmental protection;
- climate change fight;
- mitigating the effects of climate change and adapting to climate change;
- preventing the overuse of natural resources;
- increasing energy efficiency and the use of renewable energy sources and reducing greenhouse gas emissions.

The effects thereof on society, especially on local communities, their development and specificities, vulnerable categories of the population, gender equality, as well as regarding the requirements of the fight against poverty.

Without a registry is difficult to define the existing number of social enterprises with ecological dimensions but different programs such as Green Ideas of Trag Foundation organized with the aims to instigate united citizens to use and develop innovative entrepreneurial ideas, operate with business sector technologies and knowledge when resolving social problems within local communities while preserving natural resources and the environment in the function of the principles of sustainable development and interest of different entities - teams, associations, companies to participate in the program shows that in Serbia exist a group of people and business which take care about the environment.

The ecological dimension in social enterprises in Serbia is mostly based on the use of sustainable raw materials in production (recycling and reusing) and reducing the impact on the environment through business activities (e.g., sustainable ways of transportation, biodegradable packaging, digitized administration...). Also, digital trends in the business sector provided new opportunities. Today on the market exist many digital products with social missions related to environmental issues (e.g., City & Me: digital platform with Android and iOS application which encourages activism and action of users in the field of recycling, cycling... through rewarding for achieving proposed green goals - if users ride a bike for 50 km in the city areas, they will receive 1 CM token that can be exchanged for two tickets public theatre).

¹⁷ Official Gazette of the RoS, No.:14/2022 (Translation in English provided by the Coalition for Solidarity Economy Development - <https://www.diesis.coop/wp-content/uploads/2022/03/The-Law-on-Social-Entrepreneurship-ENG-1.pdf>), 8/9/2022

Challenges in fostering green or social green entrepreneurship

As a part of the explanation for the adoption of the Law on Social Entrepreneurship sent to National Assembly¹⁸, key challenges for the development of the social economy sector in Serbia identified through public discussions with relevant stakeholders are:

- inadequate legal form;
- insufficient investment in human capital;
- difficult access to funding sources;
- tax treatment;
- lack of statistical monitoring.

The concept of social entrepreneurship in Serbia is politically and legally accepted. Beside adopted Law on Social Entrepreneurship, the Serbian government formed Council for social entrepreneurship and started with the preparation of Program for social entrepreneurship with aim to support current and formation of new social enterprises¹⁹. Also, the Serbian Chamber of Commerce (PKS) formed the Social Entrepreneurship Section²⁰ to work on sustainability, innovation and market orientation of social enterprises. On this level, understanding and integrating the adopted legal framework of social entrepreneurship in the regional and local policy documents, action plans and budgets will be a big challenge for many authorities and can be observed as an obstacle to the development of eco-social companies in the real conditions.

On the level of society, a key weakness for developing and supporting social enterprises and entrepreneurs, as well as eco-social projects and activities is a low level of understanding of “social” in the concept of business among general populations caused by low visibility of eco-social enterprises and its stories, recognition and understanding of the social mission in activities. Also, this is particularly influenced by awareness of the concept and importance of social entrepreneurship, as well as the level of environmental awareness of society.

Besides visibility and recognition, social enterprises need additional support through access to resources, education and skills development, mentoring and consultancy as well as market support measures which will together support social enterprises to be sustainable, profitable and competitive in the market in real business conditions.

¹⁸ Draft *Law on Social Entrepreneurship* - http://www.parlament.gov.rs/upload/archive/files/lat/pdf/predlozi_zakona/2021/2505-21%20-%20Lat..pdf, 8/9/2022

¹⁹ National television of Serbia, *Brnabic: We are developing an inclusive society with equal opportunities for everyone*, <https://www.rts.rs/page/stories/sr/story/125/drustvo/4873553/zakon-o-socijalnom-preduzetnistvu-.html>, 8/9/2022

²⁰ Serbian Chamber of Commerce: *PKS formed the Section for Social Enterprise* - <https://pks.rs/vesti/pks-formirala-sekciju-za-socijalno-preduzetnistvo-6200>, 8/9/2022

To identify the specific needs of rural women and challenges they face, as well as important skills and competencies of educators for green transition for this research, YA conducted interviews with:

- Maja Ivanovic Djukic, Faculty of Economics, University of Nis
- Nikola Jovanovic, Research Agency Plum mark
- Aleksandra Brzakovic, City of Nis
- Boban Sević, Association “Visnja”
- Dejan Mitic, „Kamenica“ - first social cooperative in Serbia

and organized focus group with:

- Marija Radosavljevic, Faculty of Economics, University of Nis
- Maja Djordjevic, Chamber of Commerce and Industry of Serbia (CCIS)
- Maja Sević, Association “Visnja”
- Mirjana Milojkovic, EU Info point Nis

as formal and non-formal educators, and project managers working with women in the rural area. For a better understanding of the situation, participants are selected from people with different backgrounds and sectors – non-profit organizations and networks, cooperatives, faculties, municipalities, and chamber of commerce.

Specific needs of rural women and challenges they face

For the better understanding of specific needs and challenges of rural women related to their business activities, it is important to understand economic environment where women in rural areas live. The National Strategy for Gender Equality for the period from 2021 to 2030²¹ in the part of economic position of rural women indicates unfavorable economic position of rural women, which is reflected in fewer chances for sustainable employment, in addition to less ownership of private resources such as land, arable land and real estate, is also affected by inadequate access to opportunities in the community that would increase their chances on the labor market (care services and care and children, sick and elderly), transportation, access to information about rights and available forms of support, access to information technologies, access to knowledge and lifelong learning programs that would create opportunities for sustainable employment, self-employment, cooperatives and social entrepreneurship.

The interviewees highlighted that rural women have support from the state and other donors, but there is little incentive from family, husbands and the local environment.

Based on needs, basic educational programs should introduce rural women to the principles and practices of social green entrepreneurship, including concepts such as sustainability, environmental responsibility, and social impact. The curriculum needs to include topics such as business planning, marketing, and financial management, as well as training in specific sustainability practices and technologies adapted to conditions in rural areas where education is held.

The interviewees also pointed out that social entrepreneurship requires a lot of education and support about social importance and social engagement that each of us as individuals should have. How can we give to the local environment, and our state, and not just how to take from the state or the local area. Green entrepreneurship requires an additional effort of continuous information and education about why only healthy villages and their surroundings make sense and have value.

To support women to overcome challenges they face, besides education, it is important to work with the whole rural community for a better understanding of women in business through public discussions and community activities that empower communities to support social and green business initiatives.

²¹ Official Gazette of the RoS, No.: 103/2021

Educators' skills and competencies for green transition

Skills and competences of formal and non-formal educators

For educators in rural areas is most important to have experience and knowledge related to working activities in rural areas and a good understanding of the local context in which they are working, including the economic, social, and cultural challenges facing these communities.

Also, rural areas in Serbia may have unique cultural traditions and values that differ from those in urban areas. Educators working with women in these areas should be sensitive to these differences and be able to adapt their approaches and methods to meet the needs of education participants.

Educators need to be able to communicate effectively with their students and establish positive, supportive relationships. For example, to be able to speak the local language, be patient and understanding, and be able to listen actively and respond to participants' needs and concerns.

Training programmes curricula to foster social green entrepreneurship in rural areas

Green and social entrepreneurship become in focus in the last few years, but training programs are including them as a part of general entrepreneurship education. Educational programs formal and non-formal education pay more attention to the social impact of businesses as well as to environmental protection. Through the introduction of the social entrepreneurship concept and inspirational success stories of social entrepreneurs, educators encourage participants to think deeply about the impact of their businesses or business ideas on the whole community. Also, business support programs in Serbia evaluate social impact as one of the key components in awarding process.

Related to rural areas, the interviewees point out that is important to raise awareness about green and social entrepreneurship in rural areas and provide continual support and tailor-made education for women to involve green and social components in their businesses. Tailor-made programs are particularly important because of specific conditions in different rural areas where general education programs cannot meet the needs of women in business for different areas of Serbia.

Best practices related with green social entrepreneurship for women in rural areas

Name of the practice	Radanska ruza
Website	www.radanskaruza.rs
Country	Serbia
Region	Jablanica District
Rural or urban area	Rural area
Start Date	17/11/2015
Sector of activity concerned	Agriculture
Description – please describe the social business: its aim(s), how is it structured/management, target group/beneficiaries, etc. – please describe the green dimension of the social business	A social enterprise that employs elderly and long-term unemployed women, single mothers and women with special needs from the rural parts of Lebane municipality. Green dimension of this social enterprise are reflected through organic production of raw - fruits and vegetables and production of final products in traditional way - by humans, without machines.
Services and products – please describe the services and/or products provided	Radanska Ruza produces premium traditional Serbian food such as jams made from local fruits and vegetables.
Green skills needed	n/a
Trends and Potential Benefits from this Good Practice (500 words max)	Radanska ruza is good example of gathering together and support women in small rural area through economic activity and production of high-quality products from local fields in organic ways.
How this Good Practice could be used/ transferred (500 words max)	Multiplication of approach in different rural areas with similar needs and characteristic.

Name of the practice	Ethno Network
Website	http://etnomreza.rs/
Country	Serbia
Region	National level
Rural or urban area	Rural areas
Start Date	May 2015
Sector of activity concerned	Production of handicrafts using traditional techniques.
Description – please describe the social business: its aim(s), how is it structured/management, target group/beneficiaries, etc. – please describe the green dimension of the social business	Ethno Network is an umbrella association of artisans from all over Serbia organized in craft associations and cooperatives engaged in the production of handicrafts using traditional techniques. Ethno Network advocates for the economic and social affirmation of the handicraft producers and implements measures by which traditional heritage is used as an important element of local development and employment.
Services and products – please describe the services and/or products provided	Training and economic empowerment of women and young people for the market production of handicrafts.
Green skills needed	n/a
Trends and Potential Benefits from this Good Practice (500 words max)	Approach to preserve the tradition of Serbia and creating a source of income for women and young people from rural areas who produce traditional handicrafts.
How this Good Practice could be used/ transferred (500 words max)	Multiplication of approach of networking, education and advocacy for different production of traditional product and services.



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