

**XXIV IAFE-NRI International Conference:  
“Industrial Versus Small Farms-Competitors or  
Partners?”**

**SOCIAL FARMS – SOCIAL FARM NETWORK –  
FINANCIAL FUNDING**

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### **Abstract**

Social farms are functioning on the principle of social solidarity.

A cooperative farm performs agricultural production and processing and provides services, while employs physically or mentally disabled persons, developing so social and ecological responsiveness.

“SoFar” project (Social Services in Multifunctional Farms)

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Modes of functioning, possibilities for financial funding of these farms and financial resources for their formation were investigated.

Quality of sustainability of these farms was assessed using available real data.

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Humans should be put at the center of social development, meaning the basic goal of a society is not only some exclusive economic growth but also the improvement of welfare and quality of life of people.

The target groups are various and so the determinants of the quality of life are specific to each group.

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## Introduction

A social farm is a cooperative form of economy operating in accordance with social and solidarity principles, whose goal is forming proper social and ecological attitude.

The model of „Social Farm” is primarily a strategic model, with the goal of scientific investigation, education and demonstrations of attitudes.

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We distinguish three basic types of social farms:

1. Rehabilitation Farm is an economy with social/rehabilitation goals,
2. Care Farm,
3. Social Farm or cooperative farm

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General characteristics of social farms are:

- they perform their activities locally, positioned between the public and market sectors,
- they act in order to satisfy local needs that are not taken into account by private companies and public institutions,
- they create new jobs,
- they generate income, and in time they would become self-financed institutions,

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- private financing is part of their income and
- their target groups include permanent unemployed, young career entrants with employment difficulties, women with nurture obligations, elderly people, disabled persons and others with problems of active involvement and participation in society.

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## **Planning, functioning and valuation**

### **The process of determining needs**

1. Forming an expert team,
2. Analysis of information,
3. Examination of members of target groups,
4. Mapping the population with unsatisfied needs,
5. Finding out unsatisfied needs for those target-group members who already participate in some form of inadequate attendance,
6. Analysis of shortcomings of caring system.

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Target groups should be determined for every geographical area, and then the needs of these groups are to be classified dependent on the next aspects:

- needs connected to the general medical condition,
- housing needs,
- social needs,
- educational needs,
- employment needs,
- needs connected to the behavior of crime committers.

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## **Data sources for the determination of needs**

- Stake holder (or societal) approach  
This approach is cost-sensitive. The advantage of this approach is that interested parties are involved in this process.
- Comparative approach
- Cost-benefit approach

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### **Planning of social farms**

#### **Selection of the economy type**

Social farms are more suitable for smaller units with various activities, with the need for more manual work.

Activities at social farms are only successful if an appropriate relation is established between the owners and participants.

#### **The business plan**

After completing the determination of the profile, the type of activities and the development issues and after performing risk analysis, a business plan will be prepared.

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### **Evaluation of the effects of social farms**

**Exploration of needs**

**Evaluation of processes**

**Evaluation of results**

**Satisfaction of the clients**

**Satisfaction of the owner**

***Economic evaluation***

- **Cost analysis**
- **Cost-efficiency analysis**
- **Cost-utility analysis**
- **Cost-benefit analysis**

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The questions are related to their quality of life, their well-being, stress treatment, problem solving and improvement of specific problems of their group.

Specially is important to ask the owners to evaluate the influence of social farms on small farms sustainability.

The evaluation process should take into consideration wider social and economic effects of social farms. In this sense, evaluators may investigate average costs and effects related to one farm and one client.

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	Private farms	Institutional farms	Other	Total	Number of clients
<b>Belgium</b>	258	38	12	308	2000
<b>France</b>	200		700	2100	
<b>Germany</b>	12	150	58	220	
<b>Ireland</b>	2	92	12	106	2000
<b>Italy</b>	150	75	450	675	
<b>The Netherlands</b>	746	83	70	839	10000
<b>Slovenia</b>	4	6	5	15	500

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**SWOT analysis of the country situation as drawn by the participants in the “So Far” project**

### **Strengths**

- Social inclusive potential
- Acting at multiple levels
- Confirmed by empirical practice
- Possibility for tailor-made practices
- Comparatively cheap
- Motivations and enthusiasm of the promoters
- Integration/embeddedness at territorial level
- Increased sensitiveness and awareness
- Producing entrepreneurial innovation and diversification
- Involving youth in agriculture.

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## Weaknesses

- Unclear/complicated judicial framework
- Still limited diffusion and consolidation
- Gap between demand and supply
- Difficulties in starting up
- Difficulties arising from different professional 'cultures'
- Confusion of roles and competencies
- Lack of (on-farm) tutorship
- Voluntary-based efforts
- No certification of efficacy
- Prejudice towards disability
- Lack of transport/connections
- No special distinction for the goods and services produced 'socially'
- Risk of creating charity-based marketing.

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### **Opportunities**

- Increased sensitivity and awareness of public institutions and society
- Positive public reputation/image
- Labour integration for disadvantaged categories
- Potential definition of a new judicial framework
- Wider recognition and support by institutions
- Broadening relations and networks
- International exchanges
- Gender opportunities
- Enhanced reputation/image of (social) enterprises
- 'Social' marketing.

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### Threats

- Too many expectations
- Too many rules
- Standardisation and loss of original value systems and motivations
- Local/regional fragmentation
- Maintaining of sector-based logic
- Maintaining current judicial framework
- Competition between different actors
- Development of opportunistic behaviours
- Market-oriented welfare systems
- Hospitals in the countryside.

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## Conclusion

Types of financing social farms are various in different countries:

- public projects and caritative activities based on voluntarily organizations (Italy and France) or social cooperatives (France),
- public funds (medical, health care, education) financing public institutions (Germany, Ireland, Slovenia), agricultural units (The Netherlands) or social cooperatives (Italy),
- country development funds supporting social farms initiatives (Italy)
- fair direct marketing of social farm products.

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**Thank you for your attention!**