

Article by Larry Butler, Principal Deputy High Representative: “Listen to the Farmers”

Farmers have been demonstrating in front of the Joint Institutions Building in Sarajevo for more than a month now. The number of demonstrators has remained constant – but the number of politicians inside the building has diminished, as more and more head to the coast for the summer holidays.

That’s a bleak illustration of public debate in BiH. Listening to the voice of the people often appears not to be the number-one priority of their elected representatives. However, the relevant members of the Council of Ministers have indicated that they are prepared to engage in a dialogue with the farmers. This should take place sooner rather than later. It will be a positive first step, and one that should be reciprocated by senior officials in the Entity agriculture ministries. If there is one thing this country needs more of, it is dynamic and constructive debate that is NOT limited to professional politicians but includes all stakeholders.

Politicians must learn to listen.

And civic groups – trades union, businesspeople, welfare groups, religious organisations – must develop their capacity to advocate policies that they believe will benefit the public good.

The farmers are currently leading the way.

Their predicament illustrates the fact that the efforts of BiH workers and managers could be much more successful if the authorities simply did what clearly has to be done in order to

improve the business environment.

The trade deficit in agriculture and food products is the biggest component of BiH's overall trade deficit.

What does this mean?

It means that BiH, a country in which roughly two thirds of the population lives in the countryside and is engaged in or directly depends on farming, is *importing* more farm products than it is exporting! My wife was shocked to find imported carrots in the market this week. How can imported carrots from a highly developed EU country be more attractive, or cheaper, than home-grown, organic produce? Tropical fruit yes, domestic vegetables, no!

This is a scandal.

There's nothing wrong with potatoes from Glamoc, with *cevapi* from Sarajevo or Banja Luka, with *kajmak* from Vlasica, or with the whole range of BiH's rich and diversified agricultural produce. But farmers can't easily increase primary production or export their products because the certification arrangements have not been made that would satisfy international standards. Foreign exporters, on the other hand, can place their products in the BiH market because in their countries these certification and health & safety arrangements are in place.

The Free Trade Agreements can work much better if the BiH authorities set up the farm support systems that exist in other countries.

Farmers want practical support in the form of training, machinery leasing, product promotion, research, professional advice, competitive bank lending, and (as mentioned) product certification.

The Entity agriculture ministries have singularly failed to

deliver the quality and kind of service that farmers have a right to expect.

And the Council of Ministers has been slow to develop services that can only be delivered at the state level. It took more than three years to get the State Veterinary Office to a point where it is now in a position to ask the relevant EU bodies to come to BiH and inspect and certify products for export to the EU.

In relations with the EU, a basic communication problem exists, because Brussels is accustomed to dealing with countries' ministries of agriculture, not with Entity bodies. This communication problem has hindered efforts to boost exports and stimulate import substitution and thus create new jobs in the BiH countryside. (Interestingly, it has also hindered the efforts of farmers to make their case – as there is no single body for them to deal with, or indeed, single institution outside which to demonstrate!)

The International Community is ready to help transform the BiH agriculture sector, by encouraging investment and supporting training, marketing and credit programmes. But the BiH and Entity authorities have to look at structural adjustments. The agricultural sector has to be coordinated more efficiently; money should be spent more transparently – across the Entity and state agencies – and more money should be spent on implementing real programmes that will help farmers get their products profitably to market.

The people who know what those structural adjustments should be are the farmers themselves, and that's why the authorities, at the state and Entity level, should talk to the men currently camping on the steps of the JointInstitutionsBuilding.