

Cooperative development as a response to crisis: The Ishker KG Women's Cooperative in Kyrgyzstan



A. Context

The economic downturn, inflation, rising unemployment, and the collapse of the social protection system occurring in Kyrgyzstan have the worst impact on rural women. Seventy percent of the poor are in rural areas. Currently, 65% of the female population of the Republic lives in rural areas. Due to the increasing crisis phenomena, rural women are negatively affected by several existing socio-economic problems, which include poverty, social insecurity, unemployment, limited access to services, unequal distribution of resources, inequality in decision-making at all levels, etc.

Climate change issues are becoming increasingly relevant since mountain ecosystems are the most vulnerable to climate change, this exacerbates the challenges already affecting rural women, with the disadvantaged position that women are in society.

The majority of the male population is forced to look for work in urban areas and overseas. Rural women are left to tackle multiple responsibilities, among others, caregiving for children and the elderly and farm work. They also have to look for ways to solve financial problems. Entrepreneurship is one of the ways that women earn income. This is where cooperatives are helpful. In cooperatives women can jointly process their products and sell them at a favorable price, to ensure profitability.

Women face a much wider range of problems and barriers in business relationships compared to men. They are vulnerable to changes in trade and tax policies. There are also many obstacles when it comes to entrepreneurship, among these are administrative barriers; lack of rural women's access to credit resources and equipment for processing raw materials, lack of information on new production, value-adding technologies, and information-related market. Social protection for women is also almost non-existent.

The range of business initiatives for rural women is extremely limited. They are traditionally engaged in the following types of entrepreneurial activities - processing of products with elements of trade and animal husbandry. Processing is usually done at home and their products are sold to retailers in the local market of Bazarkorgon at a low price.

When the Covid-19 pandemic started, migrant workers in Russia and other neighboring countries lost their job leading to diminished income for families. Men started to go back to Kyrgyzstan as a result of business closures in neighboring countries. Men working in urban areas moved back temporarily to their homes in the rural areas. The war in Ukraine has worsened the situation for farmers. Prices of food have gone up alongside the prices of agricultural inputs. The export of fruits is also hampered because Russia is one of the biggest markets for farmers' products.

B. The Cooperative

The cooperative, "Ishker KG", was recently established to respond to the needs of women farmers. Its formation was initiated by 8 women entrepreneurs with support from the Kyrgyzstan Association of Forest and Land Users (KAFLU) in September 2021. The starting capital was 8 thousand soms.

It was set up to provide advisory services on ways to increase the production of organic products, address the challenges related to access to high-quality seeds and fertilizers, create jobs for poor families, protect the environment, and advance women's rights. Moreover, they have organized themselves to be able to supply the market demand (local and export market) of 60 tons of nuts, 20 tons of peeled pistachios, and 40 tons of capers and other fruits.

To date, rural women who are voluntarily working for the cooperatives are engaged in processing forest products such as nuts, pistachios, rosehip, and medicinal herbs. In addition, they are engaged in growing agricultural products on their plots and breeding livestock and birds on private farmsteads.

Each member is tending about 5 or more hectares of forest land (nuts, pistachios, apple trees, hawthorn, etc.) with support from seasonal farm workers.

The cooperative does not have facilities yet for the processing and storing of finished products. Each member is doing individual processing from their home. However, with support from KAFLU, the cooperative has set its office in Birdik Village of Nookan district of the Jalalabad region.

The cooperative has been invited to showcase its products in exhibits and fairs in Osh and Fergana.

Membership and structure

The cooperative has 8 founding members and additional 266 members as of date. It has a supervisory board. Meetings are regularly conducted along with training and workshop.

C. Impacts

Since the cooperative was just established, the impact is mostly on the flexible arrangement that the cooperative has. Women can simultaneously perform their duties at home and at the same time be able to generate income through the collective marketing of their products. The training they have received has also improved their practices and the perception that women cannot take on leadership roles has been proven otherwise.

D. Prospects for the future

The cooperative members plan to strengthen their organization and expand the membership with support from national organizations such as KAFLU and Bioservice Foundation. There is also a plan to apply for product certification so they can tap international market. The cooperative intends to offer new services that are particularly relevant to women farmers and will engage more in policy processes.