

Case Study Report

SYN ALLOIS

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FASS-FOOD EU

Consolidate and Scale up Fair, Accessible, Short and Sustainable Food Chains

CONTENTS

CONTEXT	1
METHODOLOGY	1
INTRODUCTION	1
TARGETED PROBLEMS	2
IMPLEMENTED SOLUTIONS	2
INVOLVED STAKEHOLDERS	4
AVAILABLE RESOURCES	4
CHALLENGES TO ADDRESS	5
DEVELOPMENT PROSPECTS	5
SOLIDALE ITALIANO: A TRUST-BASED LONG-TERM PARTNERSHIP	6

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CONTEXT

The dramatic environmental and socioeconomic global impact of food chains is undeniable and occurs at all nodes of the supply chain: from production of inputs to farming, processing, transportation, retail, and consumption. Negative repercussions notably concern biodiversity, greenhouse emissions, soil degradation, freshwater availability and quality, food security, power inequalities, work conditions. The FASS-Food research project narrows the focus on the European context and explores how alternative food systems - particularly, short and collaborative food chain initiatives - at the local level develop and work to establish healthy, sustainable and fair food systems, thus contributing to achieve important regional and global policy objectives.

METHODOLOGY

The research team conducted a multiple case-study analysis of 3 short and collaborative food systems initiatives in Belgium (Kort'om Leuven), Italy (Solidale Italiano) and Greece (Syn Allois). The analysis of these 3 initiatives followed a participatory research approach aimed at proposing solutions to the main challenges they face in scaling up and strengthening their model, facilitating the exchange of know-how and creating a space of transnational dialogue and inter-disciplinary co-construction of policies and interventions. To that end, upon one kick-off meeting, relevant members and stakeholders of each initiative were interviewed (respectively 8 for Kort'om Leuven, 9 for Solidale Italiano, 8 for Syn Allois). The interviews were subsequently transcribed, examined, and coded, leading to the identification of 6 relevant analytical dimensions for each case study: targeted problems, implemented solutions, involved stakeholders, available resources, challenges and prospects. This report, whose content was validated by the interviewees, presents the results of this analysis for the Syn Allois initiative.

INTRODUCTION

Syn Allois is a Greek cooperative specialized in wholesaling and retailing both Fair Trade food products from the Global South and local products from Greek small producers or manufacturers (only retailing in this case). The offer mainly focuses on food, but also includes other product categories (artesanal, cosmetics, detergents). Syn Allois was created in Athens in 2011 as a professional follow-up of Sporos, an older cooperative run only on voluntary basis by a group of political activists, by 5 of its members back then. Interviews with Syn Allois' members made it clear that their operative choices are intended to be the most consequential possible with the founding values of Sporos then Syn Allois: "democratizing the economy", local and rural development, antiracism, environmentally non-destructive practices. To this end, Syn Allois proposes itself as both one of the organizations pioneering Fair Trade (it is in the process of becoming a full member of the WFTO) and an important and respected actor in the larger network of social enterprises and alternative political movements in Greece.

TARGETED PROBLEMS

Environment

Environmental concerns are mainly directed to the preservation or diffusion of sustainable traditional agricultural practices. Defined as “organic”, “ecologically conscious” or “non-environmentally destructive”, virtuous models were characterized as avoiding the use of pesticides, diversifying crops, perpetuating local varieties, applying territorial knowledge. Small-scale agriculture as well as small-scale local activities in general were considered to be associated with lower negative impacts on the environment.

Fairness

- Members and partners of Syn Allois identify the existence of big profit-driven middlemen and multinationals, with the connected power they can exert on food chains, as the main reason causing small producers and processors not to be able to secure a decent revenue for their activities. From this point of view, the problem of the bargaining power of small farmers in Greece is not dissimilar to that of those in the Global South.
- Beyond the situation of small farmers, an important concern of the members is their own working conditions and quality of life. Sporos, the cooperative from which Syn Allois originated, was run completely on a voluntary basis, meaning the 20-30 people involved had to rely on other jobs for their income. As Sporos kept growing, dedicating an increasing amount of time and efforts to an unpaid professional activity became challenging for most, as well as an obstacle to a further development of the cooperative.

Inclusivity

- More than a decade of economic crisis in Greece has resulted in widespread low salaries and high unemployment rates. With a reduced purchasing power, some segments of the Greek population are forced to cut on their budget dedicated to food, meaning they are less inclined to buy quality food products, generally more expensive.
- Rural (and especially inland) areas of Greece, which represent the core of traditional agricultural production, have witnessed a chronic process of abandonment in favor of coastal urban centers, which tend to offer better income opportunities.
- Most members and partners of showed a particular attention to issues concerning gender, racial and any other form of discriminations.

IMPLEMENTED SOLUTIONS

Process Standardization

- From a point of view of the physical structure, Syn Allois' seat coincides with its sales point, which allows the development of a direct relationship of trust with the customers. Syn Allois'

store is strategically located in Greece's capital Athens, where more than ¼ of the country's population lives, and specifically in the progressivist neighbourhood of Thissio, home to some active alternative socio-political movements in Greece, most of which sympathize or are connected with the members of the cooperative. At the store, Syn Alloys offers a wide variety of products (pulses, nuts, dairy, marmalades, honey, wines, sauces, and other food and non food products) coming from small individual or cooperative producers/transformers from everywhere in Greece. In addition to this, Syn Alloys' store sells its leading product, the coffee directly imported from Zapatista's cooperatives from Chiapas (Mexico), and a range of other typical Fair Trade food products (sugar, cacao, and so on) imported from Global South producers through its Fair Trade Italian (Liberio Mondo, Altromercato) and German (El Puente) partners.

- To promote local and rural development, Syn Alloys only imports from the Global South, through Fair Trade, those products which cannot be produced in Greece (mainly for agronomical reasons). To reduce intermediaries as much as possible, and thus in principle the price, Syn Alloys plays the role of wholesaler only for Fair Trade products coming from the Global South. This choice is deemed to be in the interest of smaller retailers, which would otherwise not be able to afford the necessary economies of scale to import from the Global South on their own; on the other hand, Syn Alloys doesn't consider it necessary to be an intermediary for Greek producers/manufacturers and other retailers.

Business Governance

- Syn Alloys legal status is that of a cooperative social enterprise. The activities are carried on by 6 worker members, while 6 other members, which are basically formally part of the cooperative for legal number reasons, do not take a daily active part in them. From the point of view of the internal organization, Syn Alloys has established a highly horizontal structure (nonhierarchical division of tasks and responsibilities, equality of salaries, absence of dividends).

- The prices of Syn Alloys products are generally built through multiple mechanisms of trust. On one end, products are paid the price set by the suppliers, reversing the role they have in conventional food chains from price-takers to price-givers. On the other end, retail or wholesale prices are kept as low as possible, reducing the margin to 20-35% (from a conventional 50% or more average), which has been established as the minimal necessary amount for the cooperative to be run and its members to be paid for their work.

- The partners of Syn Alloys are chosen primarily based on the identification with the same set of values (social and environmental consciousness), the actual engagement with them (ethical work treatment, agricultural practices, and so on), product quality, and commitment to a consistent and ethical trading partnership. A collaboration often starts as a result of personal connections with members or the appartenance to the same network of alternative actors. Even though in a general spirit of trust and understanding, partners are evaluated as the partnership evolves.

- Syn Allois works actively and, as a Greek pioneer Fair Trade organization, has a central role in promoting and supporting all those actors which share its values, from political movements to social enterprises, sharing its known-how or connections.

INVOLVED STAKEHOLDERS

Public

No public actor has been reported as directly contributing to the initiative.

Private

The business partners of Syn Allois domestic Fair Trade activities (only retail) are essentially Greek individual or cooperative small producers/manufacturers which adhere and engage with its same set of values (social and environmental consciousness).

Civil Society

Dock, an important social economy support organization in Athens, has at times provided important know-how support.

AVAILABLE RESOURCES

Financing

No public funds, nor formal financial instruments (e.g., bank loans) were used to finance the cooperative. When faced with financial needs (e.g., advancing money to the Zapatistas coffee producers), Syn Allois has however received informal financial support from its network, such as accorded delayed payments by Greek producers or loans by persons close to the cooperative.

Social Capital

The network of Greek alternative social and economic actors such as social enterprises, alternative small producers/transformers, left-wing and antiracist socio-political movements, even though not formally structured, plays a key role for the Syn Allois initiative:

- Creating an invigorating sense of belonging and striving for a common goal.
- Facilitating the exchange of knowledge and connections with valuable partners.
- Supporting the initiative in a spirit of solidarity (e.g., financially).
- Representing a core of engaged customers.

Policy Framework

The interviewees reported a general absence of policy frameworks suitable to support the activities of Syn Allois, both at the EU and Greek level. Positive but limited examples pointed at were the development of public-funded solidarity economy support centers run by experienced practitioners of the sector (discontinued, however, by the present government) and recent legislation better defining and governing social enterprises.

CHALLENGES TO ADDRESS

Compression of intermediary's income

Between the imperative of a fair price for the supplier and a low price for the consumer, Syn Allois and its workers end up being the adjustment variable. So far, the activities of the cooperative haven not managed to guarantee really fair salaries to the members.

Lack of alternative partners in key sectors

The social economy is at a niche stage in Greece and does not reach all the sectors of the economy, which can be a challenge when it comes to choosing partners consistent with Syn Allois' values. In the case of the financial sector there is no ethical bank in the country and, as access to conventional banking is difficult and regarded as ethically ambiguous by members, capital becomes a limiting factor for the capacity of the cooperative to develop. Concerning the transportation of goods, in the absence of an actor from the social economy, Syn Allois must rely on conventional third-party private companies.

Horizontal governance

The interviewees praise the advantages of a horizontal governance, such as:

- The possibility to organize more autonomously and in accordance with each one's needs and capabilities the functions and the time schedule
- A greater openness towards different perspectives, stimulating innovative solutions

At the same time, they also point out at the challenges and possible limits of such model:

- The lack of a hierarchy tends to make coordination more complex
- The plurality of the points of view can result in tensions between members
- These challenges increase proportionally to the number of members of the organization

DEVELOPMENT PROSPECTS

Consolidating the cooperative

The From the point of view of Syn Allois, small-sized and locally-focused initiatives tend to more easily match with sustainability, fairness and inclusivity.

The cooperative does not aim so much at growing in terms of volume and scope, but rather at consolidating its functioning guaranteeing fair incomes for the partners and fair salaries for the members. The next big leap envisaged is the direct importation of most products from the Global South, as is already the case with the coffee from Zapatistas producers from Chiapas.

Promoting social economy actors' development

In accordance with its vision, Syn Allois supports the diffusion of small-sized and locally-focused social economy initiatives, promoting for example the adaptive replication of its model elsewhere locally, rather than the scaling-up of its own activities.

SYN ALLOIS: AN ALTERNATIVE ECOSYSTEM

