Updates on the FNS National Investment Plan

Operationalizing the National Food and Nutrition Security Policy 2030

Food Security Sector Meeting

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Gaza
6 February 2019
National Investment Plan 2020-2022
#food and nutrition security
#sustainable agriculture

Merging perspectives towards shared priorities!
Recap: Problem overview

Final consequences

Immediate consequences

Problems
- High transaction costs
- Lack of access to land/water
- Low investment
- Lack of specialized infrastructure
- Low technology/productivity
- Lack of access to finance
- Lack of access to credit
- High & volatile prices
- Low HH income (farm/non-farm)
- Poor social protection systems
- Inadequate skills
- Inadequate information
- Inadequate awareness
- Poor quality & safety of agro-food products

Proximate causes
- Restriction on movements of people & goods
- High risks, uncertainty
- Low & volatile economic growth
- Small budget agriculture
- Weak institutions
- Inadequate policy frameworks

Root causes
- Environmental shocks and stressors
- Occupation
- Policy making
Problem overview (simplified)

Limited food and nutrition security

- Fragmentation of rural / agricultural society
  - Restriction / lack of access to Land and Water
  - Poor / inadequate social protection systems

- Insufficient financial inclusion
  - Poor quality and safety of agri-food products
  - Limited private investment in agri-food VC

- Limited coordination and harmonization of public investment actors
The major investment pillars

<table>
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<th>6 Strategic Objectives, 18 Sectoral Results → Investment pillars</th>
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<tbody>
<tr>
<td>1. Hunger ended in Palestine</td>
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<td>Socio-economic inclusion of poor and vulnerable people</td>
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<td>Agribusiness and value chain development</td>
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<tr>
<td>Sustainable Natural Resources Management</td>
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<td>Consumer protection and food safety</td>
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<td>Community Based Approach</td>
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<td>Capacity development / Enabling Environment</td>
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The NIP design: converging interests of different actors

A prioritized set of investment
The NIP – What Why Where Who and How

**What**: A set of Evidence-based priority investment (with identified relevant concept notes).

**Why**: Give momentum and operationalize the NFNSP 2030. Harmonise public efforts and increase private investment.

**Where**: Palestine, with focus on most food insecure areas and communities.

**Who**: SDG 2 WG, SDG 1 WG, Producers, Civil Society, Donors, Private sector, …

**How**: Governance guaranteed by a Food and Nutrition Council, with coordination, advocacy, M&E and communication functions.

*NB: Timeline: First of a series with SDG 2030 horizon*

*NB: NIP support Programme*
**NIP Design: the process**

**National engagement and design process**

- **NFNSP 2030 DESIGN PROCESS** - March - September
- **NFNSP VALIDATION + NIP 2022 INCEPTION** - October - December
- **STAKEHOLDERS CONSULTATIONS ON PRIORITY INVESTMENTS** - December - March
- **FORWARD LOOKING PAPERS** - March
- **NIP DRAFT* and QUALITY REVIEW** - April - May
- **SDG 2 WG VALIDATION** - June
- **CABINET APPROVAL NFNSP+NIP** - -

**STAKEHOLDERS CONSULTATIONS**

**2018**

**2019**
Focus: Stakeholders engagement

Focus Group Discussions

- **Hebron**
  - 30/01
  - Hebron, Dura, Halhul, Yatta

- **Gaza**
  - 30/01
  - Gaza

- **Ramallah**
  - 05/02
  - Jericho, Jerusalem, Salfeet, Ramallah

- **Jenin**
  - 11/02
  - Jenin, Tubas

- **Nablus**
  - 14/02
  - Qalqilia, Tulkerem, Nablus

- **Bethlehem**
  - 18/02
  - Bethlehem
The NIP content: Priority investment areas

**NFNSP’s Strategic Objectives through Priority Investment Areas**

1. Socio-economic inclusion of poor and vulnerable people
2. Value chain development
3. Sustainable Natural Resources Management
4. Consumer protection and food safety
5. Solidarity- and Community-Based Territorial Approaches

**NB: Mainstreaming:** Nutrition, Gender/youth, Capacity Development, Climate Change, specific Gaza Strip approach
Inventory: FNS Stakeholders interventions

Inventory in progress

Need information to avoid duplication

- Contacted organization
- Responses

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<thead>
<tr>
<th>Category</th>
<th>Contacted Organization</th>
<th>Responses</th>
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Preliminary findings: Three axes

1. Enhancing access to diversified food basket for the poor and vulnerable

2. Promotion of economic inclusion of poor and vulnerable (including smallholder farmers)

3. Reinforce social protection programmes and their coherence with agriculture (also for shock response)

Contributing to the four dimensions of food security
Priority Investment Area: 2. Sustainable Value Chains Development

SWOT analysis ongoing under investment lens:

➢ **W/T:** Occupation: limited access to inputs-markets

➢ **W:** Limited access to knowledge & data: best practices, varieties/cultivars (?), soil quality, climate, market intelligence, etc.

➢ **W:** Overuse: fertilizers, pesticides, irrigation, water

➢ **W:** Poor practices: at farm level (pest mgm, water-savings) and harvesting/post-harvest handling

➢ **S/O:** Favorable conditions for high-value crops (dates, avocado, mango, berry-crops) and livestock products (non-cattle dairy, apiculture, fisheries)

➢ **O:** Vicinity to lucrative and growing markets (e.g. Gulf States)

Yet to be analyzed:

➢ Available R&D

➢ Accurate production structure (by farm-size, crop/stock, location)

➢ Actual water footprint of local food products

➢ Purchasing power of Palestinians
Priority Investment Area: 2. Sustainable Value Chains Development

Approach applied:

➢ Value per drop of water / dunum of land
➢ Inclusion of smallholders & job generation for youth
➢ Bring science and innovation onboard (digital agriculture)
➢ Access better performing support functions, e.g. extension, decision-making tools (opportunities, risks, economics – menu, early warning)
➢ Marketplace: nutritious, affordable, high quality foods for Palestinians, high-value export markets
➢ Different “recipes” for different contexts
➢ B2B learning, public-private policy dialogue
Priority Investment Areas: 3. Sustainable Natural Resources Management

Preliminary findings: Four axes

1. Improve efficiency of NR use for agrifood sector (on-farm irrigation, access to energy) under climate change perspective

2. Large scale investment on increased on-farm water availability

3. Rangeland rehabilitation

4. Enhance value of land (including land reclamation)
Preliminary findings: Seven major Outputs:

1. Food Safety legislative tools endorsed and applied
2. Increased presence of Palestine in SPS related regional and international platforms
3. Laboratory procedures led and recognized according to international standards through proper ISO certification
4. National Food Safety Control Plans (NFSCP) tested, adapted, and widely distributed
5. Increased linkage of field inspection with laboratory analyses for an enhanced holistic approach to surveillance of food safety hazards in the food chain
6. Increased public-private partnership in surveillance and control of foodborne hazards
7. Consumers and actors are more aware on proper food safety practice
Priority Investment Areas: 5. Community-based territorial approaches

Preliminary findings: Six major areas

- **R&D**
  - R & D on sustainable agroecological methods relevant to NFNSP

- **Regional focus**
  - Increased presence of Palestine in SPS related regional and international platforms

- **CAIs**
  - Support to Community Associations of Inhabitants (CAIs) in rural communities

- **Solidarity**
  - Support for local and solidarity-based partnerships between producers and consumers

- **Raising awareness**
  - National and International Awareness

- **Partnerships**
  - Preparation and implementation of micro-regional partnerships
• **Rationale:** Substantial financial exclusion persists in rural areas; acute for certain demographics – women, youth – and in Gaza

• **Approach:** Market System approach applied with focus on **access, use and quality**
  - Sound agri-finance policy and regulatory framework
  - Enabling financial and data infrastructure
  - Support to a pluralistic set of FSPs offering a range of demand-driven, customer-centric products
    - credit, savings, payments, remittances, insurance
  - Positioning PACI as a financially sustainable actor without crowding out community-level, semi-formal and commercial solutions
Access to Inclusive Rural Finance as cross-cutting enabler of Investment

**SWOT analysis ongoing under Investment lens:**

- **W**: continued perception of agriculture as unattractive segment from risk/return perspective
- **W**: Substantial latent demand; uncertain effective demand;
- **S/O**: notable efforts to improve financial infrastructure and regulatory environment
- **S/O**: liquidity seems to not be primary binding constraint
- **S/O**: informal and semi-formal value chain finance arrangements already in place could form basis for scaling up credit to smallholders
- **S/O**: availability of complementary non-financial service providers
- **S/O**: substantial remittance markets (USD 2B in 2015) to be tapped into

**Yet to be analyzed:**

- Harmonization of ag. and finance sector policies and regulatory frameworks
- Disaggregated demand across segments of agricultural production (smallholders, POs, Agri-SMEs)
- Institutional capacity constraints of formal FSPs; Savings and Credit Coops; MFI Network; and leasing providers
- Potential role of informal, community based finance; financial graduation linked to social protection programmes
- Scope for expanding agency banking and ICT-based solutions (mobile money, geodata solutions, etc)
The proposed NIP Support Project

• **Capacity development: who, why, where and how**
  – Key state and non-state actors
  – NIP implementation and governance will initially take dedicated staff
  – At central and decentralised level
  – Mostly through “on-the-job” training (coaching)
  – May include selected knowledge generation studies/analysis

→ FAO as a neutral facilitator

**Addressing some of the proposed innovations/new emphasis**
  Agro-ecology
  Digital agriculture
  PPPs in agriculture and rural development
  Community and Solidarity-Based Territorial Development

*Three years “rolling project”*
NIP Design: Outstanding issues

Points for discussion:

1. Governance of the NIP: HL council?
2. NIP Duration: extending 1 year over the end of the policy agenda?
3. Linkages and transition humanitarian – Development
4. Scope for further prioritizing and narrowing down
5. Any other points?

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