

Terms of Reference PKB23PS01

Project information																							
Project purpose	This project will contribute to the strengthening of the fruits and vegetables value chain in the Palestinian Territories, by improving the management capacities of farmers' cooperatives, whole sale markets and private sector with regard to their cold storage and packing facilities.																						
Strategic embedding	Agriculture is defined as a PSD priority sector for the Netherlands Representation in Ramallah. This has been the case under the previous MACS and has been reinforced in the new MACS. The Netherlands has, through the FAO programme (delegated PSD financing), co-financed multiple cold storage facilities for cooperatives and whole sale markets throughout the Palestinian Territories, of which most are located in the West Bank. This project will enhance the impact of these interventions by supporting the receiving organisations with the effective management of the facilities.																						
Institutional setting	<u>Cooperatives</u> Agricultural cooperatives are non-governmental community-based organizations legally registered by the Ministry of Labor and include individuals (farmers, women) engaged in agricultural and agrifood activities and having common interests, goals and challenges. Each cooperative has a board elected every 2 years and includes active members who manage the cooperative, but the more developed cooperatives have full or part-time employees who run the cooperative under the board's supervision. Some of these cooperatives are specialized in terms of the type of agricultural business (beekeeping cooperatives, livestock cooperatives) and others are general. Many cooperatives own cold storages and packing houses. The cooperatives are mostly managed by farmers themselves, supported by the Palestinian cooperatives union PACU. The union would be a good partner to speak to for the consultant in his assessment phase. List of cooperatives: <table border="1"> <thead> <tr> <th>Cooperative name</th><th>Location</th><th>Type of products</th></tr> </thead> <tbody> <tr> <td>AL Sanabel farmers' coop</td><td>Halhoul/Hebron</td><td>Grapes and grape juice</td></tr> <tr> <td>Al Kharda and Ein Al Baida coops</td><td>North Jordan Valleyb</td><td>Vegetables, with special focus on baby cucumber</td></tr> <tr> <td>Marj Ibin Amer Coop</td><td>AL JAlaneh/Jenin</td><td>Potatoes, cucumber, Tomato and other vegetables</td></tr> <tr> <td>Baq Al Sharqeya Coop</td><td>Baq Al Sharqeya/Tulkarem</td><td>Fruits and vegetables with special focus on Avocados</td></tr> <tr> <td>Tammoun farmers coop</td><td>Tammoun/Tubsa</td><td>Potatoes, cucumber, Tomato and other vegetables</td></tr> <tr> <td>Qalqilia farmers coop</td><td>Qalqilia</td><td>Fruits and vegetables with special focus on Avocados, lemon and Guava</td></tr> </tbody> </table>		Cooperative name	Location	Type of products	AL Sanabel farmers' coop	Halhoul/Hebron	Grapes and grape juice	Al Kharda and Ein Al Baida coops	North Jordan Valleyb	Vegetables, with special focus on baby cucumber	Marj Ibin Amer Coop	AL JAlaneh/Jenin	Potatoes, cucumber, Tomato and other vegetables	Baq Al Sharqeya Coop	Baq Al Sharqeya/Tulkarem	Fruits and vegetables with special focus on Avocados	Tammoun farmers coop	Tammoun/Tubsa	Potatoes, cucumber, Tomato and other vegetables	Qalqilia farmers coop	Qalqilia	Fruits and vegetables with special focus on Avocados, lemon and Guava
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	Qabalan women's coop	Qabalan/Nablus	Processed food mainly pastries	2												
	Kufradan farmers coop	Kufradan/Jenin	Vegetables, with special focus on baby cucumber	50												
	Berqin farmers coop	Berqin/Jenin	Vegetables, with special focus on baby cucumber	20												
	Gaza Strawberry farmers coop	North Gaza	Strawberry	150												
	Agricultural development Coop	Khan Younis/Gaza Strip	Vegetables and herbs	150												
	Al Manal society for rural women's development	Deir Al Balah/Gaza	Dates	100												
	Khuzaa cooperative for sustainable agriculture	Khan Younis /Gaza	Vegetables	120												
	Beit Hanoun agricultural cooperative	Beit Hanoun/Gaza	Strawberry, potato	60												
<u>Whole Sale markets:</u> The Whole Sale Markets are places where agricultural products wholesaling is taking place in each governorate, most of them are owned and run by the municipalities where these are located. List of markets: <table><tr><th>WCM</th><th>Location</th><th>Type of products</th></tr><tr><td>Hebron WCM</td><td>Hebron</td><td>Fresh agricultural produce</td></tr><tr><td>Qabatya WCM</td><td>Qabatya/Jenin</td><td>Fresh agricultural produce</td></tr><tr><td>Khan Younis WCM</td><td>Khan Younis/Gaza</td><td>Fresh agricultural produce</td></tr></table> Furthermore, some private sector (companies and individuals) running post-harvest and cold storage businesses should also be included, at least in the first phase of the project (mapping). Large-scale and more advanced packing houses can be found in the private sector, such as the date palm production and processing companies, while large-scale cold storage facilities are also run by agrifood industry companies and the private sector wholesaling businesses. All in all, there are 3 potential target groups that should be explored during the first phase of the project: • Cooperatives owning and running packing houses and/or cold storage facilities • Municipalities owning and running cold storage facilities in the wholesale markets					WCM	Location	Type of products	Hebron WCM	Hebron	Fresh agricultural produce	Qabatya WCM	Qabatya/Jenin	Fresh agricultural produce	Khan Younis WCM	Khan Younis/Gaza	Fresh agricultural produce
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	private sector (companies and individuals) running post-harvest and cold storage businesses Depending on the outcomes of the mapping and needs assessment, it should be decided which actors from which target groups are most relevant to the objectives of the project.
Project background and problem analysis	According to FAO, 20% of the Palestinian land being used for agriculture (90% of the West Bank and 10% of Gaza). The sector plays a considerable role in the Palestinian society, not only by contributing to food security, but also by accounting for around 9% of the total employment. In 2020, the agricultural sector provided 7.1% of the total Palestinian GDP. The sector has strong potential to improve the quality and quantity of production and strengthen its role as an income and employment generator. There are however some factors hampering the sustainable development of the agricultural sector. According to a WUR report that was commissioned by the NRO in 2016, the main challenges are the availability of land and water, access to markets, a missing value chain approach and institutional capacity. Many of these constraints derive (at least partly) from the Palestinian-Israeli conflict and the limitations to trade, land and water imposed by Israel. For example, 60% of the West Bank is under Israeli control (defined as Area C) and Palestinian farmers in that area experience quite some difficulty in acquiring the permits needed for developing their agricultural lands. The Netherlands is highly active on improving the situation on multiple challenges mentioned. Apart from the political dialogues, there are ongoing programmes on access to land and water and access to markets (like trade between Gaza and West Bank). Through multilateral organisations like FAO, but also through implementation with local organisations the Netherlands has also supported farmers with investments such as hardware. This has shown to greatly improve their productivity. With Dutch financing, FAO has also implemented value chain interventions such as helping farmers cooperatives and whole sale markets with acquiring cold storages. Although this has been very helpful, it has been observed that the management of these cold storages can be improved in terms of efficiency. How to make best use of the storage? Also, better cooperation between cooperatives, whole sale markets and private sector could improve the product quality and the shelf life, and thus the possible income generated from those products. Defining the exact and underlying issues with regard to cooperation are part of phase 1 of this project (the needs assessment). The products are fruit and vegetables, like strawberry, apple, mango, cucumber, tomatoes, dates, and some other, depending on the season. Capacity building could easily solve this knowledge gap. Therefore, the NRO and RVO have decided to provide Dutch expertise to the relevant cooperatives and whole sale markets, to support them in improving their cold storage management and the connection between stakeholders in the post-harvest chain. Other private sector actors, such as individual companies, will also be included because they can be key players in the chain as well. The project will start with an inception phase in West Bank and Gaza, to specifically identify the needs of the beneficiaries. The mapping and action plan resulting from this phase will be reviewed and decided on through a

	Go/NO-GO decision. This decision will also entail a decision on whether to include Gaza in the next phase. Phase 2 will be the actual capacity building, most probably consisting of trainings and advice, and phase 3 will entail an impact assessment 1 year after the training. To ensure local embedding and maximum impact, cooperation with a local consultant in the implementation of the project is required and must be financed from the budget. The Dutch representation in Ramallah can suggest local consultants if needed.
Results	<i>To ensure local embedding and maximum impact, cooperation with local consultants is required and must be financed from the budget. For Gaza, this needs to be someone based in Gaza due to travel limitations between Gaza and West Bank. The Dutch representation in Ramallah can suggest local consultants if needed for both Gaza and West Bank. You can contact them in the proposal phase already if needed.</i> <i>The NRO and RVO would prefer to include Gaza at least in phase 1 of the project. A local consultant would be a way of achieving this without visiting Gaza yourself.</i> <u>Phase 1:</u> 1. In cooperation with a local consultant, the current situation with regard to the cold chain in West Bank and Gaza has been mapped concisely, including strengths, bottlenecks and interconnectedness. Specific focus should be on: • cold storage- and packing house management of farmers' cooperatives, whole sale markets and key private sector players. • the cooperation between those and others relevant actors in the value chain. It should also be researched whether there is market potential for cold chain consultancy services. Do companies in the sector need these kind of services? If so, are they willing to pay for it? Also, the position and role of women should be taken into account: are they employed in packaging and cooling facilities? How could they benefit from a training? The findings should be gathered in a report. The results of this research serves as a basis for a training proposal. 2. Potential participants have been identified including their training needs. 3. A detailed capacity building proposal, selection criteria for participants and planning based on the mapping and needs assessment has been delivered. This should include a Monitoring, Evaluation and Learning (MEL) plan and suggestions for safeguarding sustainable impact (for example through using a training of trainers concept, depending on the results of the research of market potential of cold chain consultancy services). This includes a plan for an impact assessment at the end of the project (see Phase 3). For the training, the focus should be on best practices related to cold storing and packing (i.e. topics like sorting, grading and packing). A list of subjects is suggested below. The training proposal, selection criteria and planning will need to be approved by the Netherlands Representation in Ramallah and RVO before implementation.

	3. During the mapping and needs assessment, leads for PUM have been explored. PUM is specialised in 1-on-1 advice and guidance for SME's and other stakeholders (like chambers of commerce, sector organisations, cooperatives, etc) in a sector. They have access to experts in a.o. the transport and logistics sector (including cold chain), horticulture, agrifood and more. Reported issues that might fall out of the scope of this project might be picked up by PUM. The findings of the analyses and the training proposal + planning will be sent to RVO and the NRO as an inception report. Based on that, a GO/NO-GO decision will follow, based on: - feasibility (a.o. if a training in Gaza is feasible) - necessity (is a capacity building necessary, and for whom?) - effectiveness (is capacity building the right solution for the problem) <u>Phase 2:</u> 1. 20-25 participants coming from farmers cooperatives, whole sale markets and private sector have obtained better knowledge about the effective management of cold storage and packing facilities, with the aim to ensure stable product quality. Through training, individual consultancy and sharing best practices from the Netherlands, participants will have deepened their knowledge about packing and cold storage aspects, like: • Identifying the product-specific cold storage requirements and technologies • Economic efficiency and value addition assessment • Energy and resources use efficiency • Sanitation and hygiene management • Pre- and post-cold storage handling • Operation and maintenance, including employee safety • Organising of shelves • Product quality and shelf life assessment and control • Environmental management and efficiency 2. The participants are able to transfer the gained knowledge to colleagues, in order to make the project more sustainable in terms of impact. 3. Relations between the participating organisations and other relevant parties in the cold chain have been strengthened. NB: it might be the case that project interventions in this field require other representatives than the training on cold storage management. 4. A report on the training, describing the progress achieved by the target group, containing an evaluation and suggestions for further assistance if deemed relevant. Also containing a short article and a number of photos (free of rights) to be used by the NRO and RVO. Participants need to have given consent before their photographs are included in the report.
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	<u>Phase 3:</u> 1 year after the project, an impact assessment should take place assessing quality, production, sustainability and other relevant improvements among the participants. A plan for this should be taken into the MEL proposal in phase 1. The report of the assessment will be shared with NRO and RVO and will also contain information on the indicators mentioned below.
Activities	<u>Phase 1:</u> A desk research will be conducted. Subsequently, a field research will be carried out visiting several cold chain actors, like farmers cooperatives, whole sale markets and private sector actors in West Bank and Gaza, to assess the situation and the needs together with the local consultant. Focus will be on cold storage and packing as well as cooperation in the chain. Also, potential participants have been identified and their training needs. The position of women and CSR/RBC issues (such as employee health and safety and environmental impact) should also be taken into account. The research will also include identification of the market potential of cold chain consultancy services. In order to identify leads for PUM, it is advised that the consultant has a call with a PUM representative. Contacts can be provided by RVO. This will result in an inception report and training program as described above. The consultant will, based on the assessment, come up with selection criteria that will be used to select the participants and suggestion for the exact target group. The consultant can also propose to involve other experts in the training if this turns out to be of added value based on the research. This should fit into the existing budget. The report, training plan and criteria will be part of a GO/NO-GO decision, in which RVO and NRO will decide whether and how to continue with the next phase. Here it will also be decided whether Gaza can be included or not in Phase 2. If decided positively, the consultant will subsequently make a final selection of the participants. Around 20-25 participants will be selected, coming from farmers cooperatives, whole sale markets and/or private sector (depending on the target group decision). It is suggested that 1-3 persons from each entity are invited, especially people who are directly in charge of managing and operating the post-harvest and cold storage facilities. The proposed list of participants. will be shared with the NRO and RVO for approval. <u>Phase 2:</u> The consultant will provide a training for the participants on effective cold storage and packing house management based on the identified needs. This should be organised around questions like: how to improve product quality, how to ensure stable supply and how to effectively cooperate with other actors in the chain. Topics like cold storage methods, cost-

	effectiveness of cold storage, qualitative packaging and cooperation should be included, other topics are left to the expertise of the consultant and the outcomes of phase 1. Dutch best practices should be part of the program. The consultant is requested to include CSR/RBC issues in the training as well, such as employee health, safety with regard to handling the facility and environmental impact. More information on CSR is described in the CSR section. In total, the consultant will provide at least 15 days of training ('contactdays', this can be training or other forms of knowledge sharing and networking) plus half a day of individual advice per participating organisation. At the end of the trainings, the consultant will draft a final report, describing the progress achieved by the target group, containing an evaluation and suggestions for further assistance if deemed relevant. <u>Phase 3</u> 1 year after the project, an impact assessment should take place assessing quality, production, sustainability and other relevant improvements among the participants. Next to that, this assessment should answer questions like: How effective was the training in helping participants gain relevant knowledge and skills? Were the participants able to apply what they learned to improve their performance at work? What other benefits did the training program achieve? Where they able to effectively cooperate with other actors in the chain? Did product quality improve after the training, Did the training contribute to ensuring stable supply? This assessment will be shared with the NRO and RVO, including (where possible) evidence.
PSD Toolkit Programme monitoring and evaluation	PSD 7a: Number of people trained. Distinguish between 1) SME entrepreneurs/employees and 2) trainers. Within these categories, distinguish between A) Male B) Female and C) Unknown. Measure number of youth; Estimation: 20 participants trained, of which 15 male and 5 female. PSD 3a: Number of strengthened organisations for a sustainable business climate. Distinguish between 1) Government 2) Semi-government and 3) Other; Estimation: 3 strengthened governments organisations (whole sale markets/municipalities), 10 strengthened cooperatives (Other). PSD 7c: Number of identified opportunities for investment and/or follow-up PSD projects; Estimation: 1 Lead for PUM, 1 lead for PSD Toolkit. Indicator PSD 7e: Increased impact of an existing PSD project (FAO programme- delegated PSD financing)
CSR Opportunities and Risks	The Palestinian Territories are under Israeli occupation and Israel controls to a large extent the access that farmers have to land, water, electricity, inputs and other resources. This has a restricting effect on the development of the agricultural sector. The consultant should keep this in mind and be aware of the fact that the situation here is different from many other places. On the other hand, the project can positively contribute

to the sector by building specific skills and strengthening the cooperation in the value chain.

Social rights and Gender

It is important to be aware about the fact that there very little employee rights in the Palestinian Territories, especially for those working in Israel or illegal settlements. In case malpractices are signalled by the consultant, they should be communicated to the NRO and RVO. Also, a safe learning environment for women should be created during the training. Wherever possible, the consultant is requested to emphasize and address the importance of labour rights. Some examples of issues in the Palestinian Territories:

- The Palestine Territories scores a 5+ on the ITUC Global Rights Index (scale 1-5) for freedom of association and workers' rights, which stands for no guarantee of rights. While the legislation may spell out certain rights workers have effectively no access to these rights and are therefore exposed to autocratic regimes and unfair labour practices. In countries with a rating of 5+ this is linked to dysfunctional institutions as a result of internal conflict and/or military occupation. Palestinians' access to work in Israel and illegal settlements is tightly controlled by a repressive system of permits, security checks, and checkpoints. Of the estimated 133,000 Palestinian workers, roughly 94,000 have work permits. 99% of permit holders are men and most work in the construction industry. Those without permits are not legal workers. Employers often threaten to revoke permits to discipline workers who want to join a union, demand rights, or are involved in any form of political activity.
- In the agricultural sector, it is common that employees are contracted as seasonal workers to perform seasonal and labour-intensive work. Seasonal workers have worse salaries, hours and facilities than regular employees. Employees hired by employment agencies face even worse working conditions, since most agencies do not take regulatory guidelines concerning hours and salaries into account.
- On average, women receive 29% less pay than their male counterparts in the Palestinian Territories. Salaries are lowest in sectors where women are particularly employed, such as agriculture and services. Women make up approximately 19% of the workforce in the Palestinian labour market. Also, sexual harassment is a problem.

Health risks

Agriculture is a particularly risky sector with respect to health and safety. This is due to the risk of infection by parasitic diseases, and because of the exposure to chemicals (both farmers and consumers) that are used in farming. These risks are relatively higher in lower and middle income countries, like the Palestinian Territories.

During the project, the consultant can stimulate the trainees to carry out health and safety risk assessments and adopt preventive and protective measures for their organisation, workers and practices, like the cold storage. This to ensure that all activities, workplaces, machinery, equipment, chemicals, tools and processes under their control are safe. If

	necessary, please provide adequate and appropriate training and comprehensible instructions on safety and health. The consultant is also requested to be aware of the use of pesticides and nitrogen fertilizer, which harm the environment. Responsible use and if possible, replacement by more sustainable products, should be stimulated. <u>Environment</u> A WWF report holds the food system responsible for 27% of global greenhouse gas emissions. Efficient energy use is therefore one of the topics included in the project plan. Consultant is requested to stimulate minimisation of heat loss and efficient energy management. . The consultant should pay attention to this during the mapping. <u>Security</u> As Israel and the Palestinian Territories are in a constant conflict, it is also important to be aware that the security situation in the Palestinian Territories can change rapidly. It is of utmost importance to make sure to follow the new and to consult the local consultant and the NRO about the security situation and keep close contact with them. The consultant is advised to do the CSR/RBC check on this website: Doe de check MVO Risico Checker.
Observations for further development	As indicated in the plan, the assessment phase could result in leads for PUM. Possibly, the project will lead to a new PSD Toolkit project as well.
Communication Strategy	- There will be no specific communication strategy for this project, partly due to the volatile political context. If the project is successful, there might be communication about it in the end, by the NRO and/or RVO.