



Administrative Report

2020

Establishment and Development:

Arab Center for Agricultural Development “ACAD” was established in 1988 as a project under the name “the United Agricultural Company” in both Jericho and Ramallah cities. The Company aimed at building the economic capacities of small farmers, who were facing risks of collapsing during the Palestinian First Intifada, through in-kind financing. At the beginning, the Company targeted the agricultural areas in the Jordan Valley and then it extended its work to include the Center West Bank and Nablus in the north West Bank.

In 1993, this project was institutionalized to become a developmental organization registered as non-government non-profit organization in Jerusalem under the name “Arab Center for Agricultural Development” as a center specialized in financing small enterprises. The Center identified its general objectives in developing the agricultural sector and helping small farmers through financing, marketing and technical support.

Strategic objectives and goals:

First strategic objective: Empowering and building the capacities marginalized groups including small farmers, women, youth and persons with disability.

Second strategic objective: Contributing in improving Palestinian food security and environment preserving, presenting emergency and relief funds and developing disaster and “C” areas.

Third strategic objective: Building, developing and activating cooperatives in order to improve production and protect individual and collective rights.

Forth Strategic Objective: ACAD’s sustaining and developing its programs in order to serve agricultural and rural sector.

Vision:

Effective rural agricultural community that depends on its capacities, interacts positively with environment and decides its future by itself, where all can live freely with dignity in the democratic independent state of Palestine.

Mission:

Developmental civil society organization that contributes in the efforts of developing the agricultural and rural sector through partnerships building based in integration, professionalism and targeted groups involving.

Values:

Belonging to land, justice, integrity, participation and faithfulness in work.

Board of Directors:

Dr. Saed Dorra- Board Chairman.

Mr. Amjad Masri- Vice Chairman.

Mr. Samir Barghouthi- Treasurer.

Mrs. Haneen Zaidan- Secretary.

Mr. Ibrahim Barghouthi- Member.

Mr. Hasib Nashashibi- Member.

Mr. Akef Hanini- Member.

Introduction:

Arab Center for Agricultural Development “ACAD” has worked in difficult circumstances like other civil institutions, related to the impact of COVID- 19 pandemic, in addition to the deterioration of the political, economic and social situation and its negative consequences on the weak performance of the national economy, which was exposed to the negative effects of the policies, dictates, procedures and violations of Israeli occupation.

This led to a significant decline in Palestinian families' incomes and their ability to afford living requirements, and ultimately to a further decline in the performance of the national economy due to the contraction in incomes and the consequent decline in consumption and investment rates.

This led to an increase in poverty and an increase in the percentage of Palestinian families that live below the poverty line and are unable to create strategies to deal with the persistent difficult conditions.

The year 2020 witnessed closures due to COVID- 19 pandemic for nearly three months; according to the data, 32% of income generators were able to obtain their usual income, and 25% received their income/ wages in part, while 52% of income generators did not receive a wage or a salary during the closures linked to the Corona pandemic.

Accordingly, the income of 42% of Palestinian families decreased by half or more, and with it the monthly expenditure of 41% of Palestinian families on food supplies during the closure period. Economic indicators showed an 8% decline in gross domestic product, a 7% decline in private spending, a 13% decline in investment rates, a 15% decline in exports and an 8% decrease in imports.

With the continuation of the state of political division in the Palestinian arena and the consecration of two separate political entities, the absence of democratic life, the disruption of the legislative authority, and the retreat of the judicial authority in the face of the pervasiveness of the executive authority with its various components, and the conflicts within the frameworks and components of the executive authority itself. Pressure increased on NGOs, which found themselves facing new challenges and restrictions, linked to the public space available for the movement of these organizations and the resources available to them to play their role.

However, the year 2020 witnessed the continued decline of international funding, while some of it was ceased, and the agendas of donors were changing towards more charitable relief aid rather than development aid.

Arab Center for Agricultural Development “ACAD” worked according to a clear orientation based on the policy of stabilizing ACAD, its development mission, supporting its budget deficit, continuing interventions and activating the civil institutional presence.

The following report reflects the interventions, activities and participation of Arab Center for Agricultural Development "ACAD" during the year 2020.

Executive Summary:

Arab Center for Agricultural Development "ACAD" was affected, as all aspects of life, due to the spread of the Corona virus; this was reflected in the number of projects implemented during this year, as the number of implemented projects and signed agreements reached five projects with a total value of 239,857 USD.

At the beginning of 2020, measures and steps were taken to advance ACAD and get out of the financial crisis that led to its restructuring. Employees were contracted according to the ongoing projects and according to ACAD's needs; 11 employees were contracted in the West Bank and Gaza to implement ongoing projects and carry out special administrative and financial tasks.

A strategic plan for ACAD for the period 2020-2022 was approved, and an executive summary of the plan was prepared in both Arabic and English.

ACAD completed its activities and services provided to the beneficiaries, as it continued to implement the activities of land and rights project funded by the Italian Agency for Development and Cooperation "AICS" and managed by the Italian COSPE Foundation. This project aims to support cooperatives socially and economically as ACAD continued to implement the activities related to this project.

Moreover, ACAD continued to implement the activities of "Mustaqbaluna- Our Future" project, which is also funded by the Italian Agency for Development and Cooperation "AICS" and managed by the Italian AVSI Foundation. It is implemented in cooperation with the Bethlehem Arab Society for Rehabilitation "BASR", ACAD Finance Company and the Palestinian Employment Fund. Feasibility studies have been prepared for persons with disabilities who were trained last year.

As for the new projects implemented in 2020, an agricultural initiative project was implemented to revitalize the cultivation of local varieties of fruit trees and local vegetables, and the project was implemented in Beit Ummar- Hebron in partnership with Arab Agronomists Association and funded by Avenir Social and CGT.

A project was also implemented in cooperation with DAMAN for small enterprises, where ACAD conducted training courses in the field of financial education and management of small projects for the beneficiaries of financing companies (ACADF, Reef, Asala).

At the end of 2020, ACAD signed a training project agreement for persons with disabilities with Bethlehem Arab Society for Rehabilitation; the implementation and preparation of economic feasibility studies and orientation visits will start at the beginning of 2021.

In Gaza Strip, a project was implemented to reduce the vulnerability of families affected by the events of the Great Return Marches by increasing access to basic food needs and psychological support services. Awareness sessions on nutrition, health and food safety were implemented for beneficiaries of the victims of Great Return Marches in the governorates of Gaza Strip.

In the field of public relations and networking; ACAD maintained its relations with the local and international institutions and organizations with which it worked. Also, ACAD continued to emphasize its relationships and partnerships with donors and previous partners to work on presenting joint projects. It also worked to open and renew relationships and partnerships with local and international institutions.

ACAD and COVID- 19 Pandemic:

In response to the new conditions imposed by the spread of the Corona pandemic, ACAD worked on adaptation and flexibility in continuing work and activities as normally as possible and possible. ACAD complied with the decisions of the Palestinian government related to the lock down and followed all preventive measures that limit the spread of the Corona virus; Project-related activities have been frozen, including field visits and training courses, and during the closure period, work has been followed up from home, by phone and e-mail with beneficiaries, borrowers and staff.

In order to know the impact of the Corona pandemic on the income-generating projects that were previously implemented by ACAD, a questionnaire was designed in this regard and a sample was taken from: DEEP projects, projects for persons with disabilities, as well as Islamic financing projects in Gaza. We were unable to develop an analytical report for the information collected due to the lack of human resources.

In order to ensure uninterrupted communication between management and employees, weekly meetings were held during the lock down period through online platforms between ACAD staff and the Board Chairman to follow up the progress of work and solve outstanding problems.

After the regularity of the work, the commitment of work was gradually achieved according to the situation of each region, taking precautions and preventive measures such as sterilization and wearing masks and others.

Programs and projects

Main projects and activities implemented by ACAD during the year 2020:

1. Lands and Rights – Paths to Social and Solidarity Economy in Palestine:

The project aims to support and empower agricultural cooperatives located in the following marginalized areas: Yatta, northwest Jerusalem, Salfit, and southwest Bethlehem.

The implementation of the project's activities began at the beginning of 2019, where a series of introductory meetings were carried out in the four targeted areas to introduce ACAD and the project, and the capacity of the project's staff was empowered and built in the field of "Think COOP." where the organizer of the course was the ILO office in Jerusalem. After that, field visits were carried out to the targeted cooperatives in order to assess the situation of the cooperatives and guide them to correct and improve their conditions and to know the strengths and weaknesses of each cooperative.

Despite the health situation of 2020 and the spread of the Corona virus and the subsequent lock downs, ACAD carried out the following activities during the year 2020:

1. Completing the implementation of training courses in the field of "Think COOP." for members of cooperatives (the board of directors and the general assembly), where 8 courses were implemented for 10 cooperatives.

2. On January 28, 2020, a call was announced to cooperatives located in the target areas of the project to submit project proposals with the aim of obtaining small grants, and the aim of these grants is:

- Strengthening the capacity of cooperatives in promoting social and solidarity economy paths that contribute to obtaining the strengthening of the administrative, strategic and sustainable capacities of cooperatives and charities in Area C.
- Supporting cooperatives to develop new income-generating programs or supporting existing programs with the aim of creating sustainable socio-economic programmes.
- Enhancing access to good job opportunities, and strengthening the local economy, especially focusing on short value chains and economic integration.

3. Holding 4 training workshops on how to apply and fill out applications in the targeted areas.

4. 42 project proposals were evaluated by a committee composed of 8 partners (COSPE, ACAD, Palestinian Youth Union, ILO office in Jerusalem, Cooperative Work Agency, Ministry of Agriculture, Al-Haq Foundation, Aveprobi Foundation).

5. It was approved to give 20 cooperative grants with a total value of 371,191 euros. ACAD was responsible for following up and managing the projects of 10 cooperatives/ CBOs and the Palestinian Youth Union for 10 cooperatives/ CBOs.

6. At the beginning of October 2020 grant agreements were signed with the cooperatives/ CBOs and the implementation of the activities of the proposed projects, the projects varied among: agricultural environmental footpath, the purchase of an agricultural tractor, the development of an olive press, food processing, vegetable milling, the development of a dairy factory, sheep breeding and shops selling agricultural production inputs.

7. Holding 3 training workshops for cooperatives/ CBOs to clarify the financial and administrative procedures for the grant.

It is noteworthy that the project is funded by the Italian Agency for Development and Cooperation "AICS" and managed by the Italian COSPE Foundation and implemented by ACAD in partnership with the Palestinian Youth Union.



2. “Mustaqbaluna- Our Future” project:

"Mustaqbaluna- Our Future" is a project funded by the Italian Agency for Development and Cooperation “AICS” and managed by the Italian AVSI Foundation and implemented by ACAD in partnership with ACAD Finance and Development, Bethlehem Arab Society for Rehabilitation and the Palestinian Employment Fund.

The project’s activities started in 2019 and ACAD’s role focused on two areas:

First: Implementation of training courses aimed at building the capacities of persons with disabilities in the field of project management, and training of 66 male and female trainees from the governorates of Nablus, Hebron and Bethlehem was completed during 2019.

In 2020, 60 economic feasibility studies were prepared, and follow-up with the beneficiaries was through the phone and field visits.

Second: Organizing and implementing exchange visits for 110 beneficiaries in order to exchange experiences and learn about the experiences of successful pilot projects, and due to the spread of the Corona virus and the subsequent lock downs and in the concern of beneficiaries' safety, this activity has been postponed until the health situation improves with the possibility of changing the activity to an activity that beneficiaries prefer, so not to expose them to the risk of infection as a result of gatherings.

3. Reducing vulnerabilities of GMR-affected households by increasing access to basic food needs and psychosocial support services:

The overall project objective is to contribute to reducing the vulnerability of affected families through an integrated approach focused on increasing access to basic needs and services; this is done through awareness sessions in the field of nutrition and food security for these families.

Where 24 awareness sessions on nutrition, health and food safety were carried out for 400 beneficiaries of the victims of the Great Return Marches in the five governorates of Gaza Strip (Northern Gaza, Gaza, Central, Khan Yunis, Rafah). Rehabilitation, the impact of the socio-economic status of families on dietary diversity, food safety and how to prevent foodborne diseases, handling, preparing and storing food in ways that prevent foodborne diseases, unavailability of healthy water and electricity cuts and their impact on foods, Corona virus and strengthening the immunity of the victims.

It is noteworthy that this project was implemented in partnership with Action Against Hunger and funded by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) -the occupied Palestinian territories-, and the duration of the project was 5 months from 1/5/2020 to 30/09/2020.

4. Agricultural initiative to revive the cultivation of local varieties of fruit trees and local vegetables:

This project was implemented in partnership with Arab Agronomists Association and funded by Avenir Social and CGT. The project aimed to promote the concept of environmental

agriculture (without chemicals) by referring to the planting and propagation of local seeds in conjunction with the reproduction of local grape seedlings and local fruit trees.

The role of ACAD was to purchase equipment and develop the greenhouse for the nursery in order to produce 20,000 summer vegetable seedlings and distribute them to home gardens and small farmers who work in environmental agriculture and follow-up gardens in order to choose the best seedlings and vegetables to extract seeds and replant them in the next season and increase the quantity every year.



5. DAMAN Company Training Project for Small Enterprises:

This project was implemented with funding from DAMAN for small enterprises in partnership with ACAD Finance and Development Company, Asala for Credit and Development Company, Reef Finance Company with the aim of building the capacities of the target groups to facilitate the implementation of the lending portfolios implemented by the partner finance companies of DAMAN Company.

The training courses were in the field of financial education and management of small projects, and the target group were actual and potential beneficiaries of loans from young people, women, owners of small projects, in addition to members of cooperatives.

The courses were held in the governorates of: Nablus, Hebron, Bethlehem and Gaza Strip, and the number of beneficiaries of the courses was 74 male and female trainees.





ACAD Finance and Development Company:

Like the rest of the private sector companies in general and the banking sector in particular; ACAD Finance and Development Company faced great difficulties as a result of the Corona virus crisis, forcing it to operate in an emergency system throughout the year.

This situation affected various aspects of administrative and credit operations, and the annual financial and operational plan was suspended.

Nevertheless, the company was keen to continue providing financial services to people with limited income, even at a minimum level. The company has financed 443 projects worth \$2.3 million; 40% of them are agricultural projects and 40% are income-generating projects, mostly in rural areas.

In the context of social responsibility and to assist borrowers in facing the effects of the pandemic, the company forwarded the payments of most borrowers' installments for several months without collecting any new interest or additional fees.

The company continued to implement its plan to finance projects for persons with disabilities at zero interest and without fees, as 12 projects were funded with a total value of \$55,000, and the volume of funding for this category since the project's launch has reached 108 projects, with a value of nearly half a million dollars.

List of projects implemented in 2020

| Project Name | Donor | Expenses (\$) |
|--|--|----------------------|
| Reducing vulnerabilities of GMR-affected households by increasing access to basic food needs and psychosocial support services | OCHA, managed by Action Against Hunger | 10,904 |
| Let's Start Up | EducAid | 9,528 |
| Daman company trainings | DAMAN for small enterprises | 2,286 |
| Land and Rights Project | AICS managed by COSPE | 217,139 |
| Total value of projects implemented in 2020 | | \$239,857 |