TEMPLATE FOR APPROVAL OF ODA ACTIVITIES FROM EUR 250.000

SECTION: Key data

Short name	Holland Horti Support II
Full name	Holland Horti Support II – Towards a Future-Proof Horticulture Sector Jordan 2023-2026
Summary	The pilot project, Holland Horti Support I, has provided direct engagement with small and medium sized entrepreneurial farmers, trialling and testing horticultural innovations and training on good agricultural practices. The ultimate impact goal of Holland Horti Support II is a future-proof, private sector driven horticulture sector in Jordan through scaling and mainstreaming of innovative and eco-efficient solutions. Its overall objective is to develop Jordan's horticulture private sector by improving: • Eco-efficiency, farming practices, labour conditions and access to innovation, finance and markets of 1,300 horticulture SMEs. • Business performance of 63 supply chain companies. • The capacity of 3 sector institutions. • The awareness of 75,000 consumers and farmers on the link between sustainable food production and healthy food consumption. To achieve this, an integrated private sector development approach will be taken, involving all relevant stakeholders in the horticulture sector.
Name of contract party	Fal For Consulting And Management Services
Number of contract party	30091371
Date of receipt of proposal	18.10.2022
Proposal's reference number	17102022
Activity type	Standard
Budget holder	AMM
ODA	Yes
Amount and currency	EUR 3.999.698
Amount in EUR	EUR 3.999.698
Start date	01.01.2023
End date	31.12.2026
Anonymise Open data	No
Consultation with embassy / regional department / thematic department	Embassy
Related activity	Holland Horti Support I; contracted by RVO
SAP application number	4000006321
Funds centre	1701U03020013 AMM JO PSD bijdragen
Prepayment	Yes

SECTION: Policy data

Beneficiary's country/region The **beneficiary country** is the target group's country of residence or country of origin. It is the country that ultimately benefits from the activity. This is not necessarily the country where the activity is implemented. When the activity takes place in several countries in the same region, specify the region concerned using the regional classification (see Help). If not (multiple countries in multiple regions), select **worldwide**.	Country (state the country concerned below) Hashemite Kingdom of Jordan
Specify countries + distribution of the budget over those countries (if known). Only fill in this section the answer above was 'region' or 'worldwide'. Please state the relevant beneficiary countries and estimate what part (in %) of the total budget over the entire activity duration can be attributed to each country. If the distribution of part of the budget is as yet unknown, it can be recorded as unspecified.	Country X ..% Country Y ..% Country Z ..% Unspecified ..% Etc. (add more rows if necessary) ..% **Total 100%**
Location within the country/ countries (be as specific as possible) When the activity targets one or more specific locations, please specify the location(s) here.	Province All horticultural areas of Jordan (highlands and Jordan Valley): Amman, Balqa, Irbid, Mafraq, Madaba, Ajloun, Jerash, Karak, Maan

Aid modality	Other programmatic support
Technical assistance	TA>50 50% or more of the activity budget
CRS code	**CRS Code** / **Description** 32130 Small and medium-sized enterprises (SME) development 31120 Agricultural development
Policy markers	Equality between men and women: Principal Climate change/ adaptation: Principal Climate change/ mitigation: Principal Biodiversity: Significant Desertification: Not applicable Youth: Principal Private Sector Development: Principal Employment Generation: Principal Jordan is one of the countries that are highly impacted by climate change, already being the fourth most water stressed worldwide; climate adaptation and mitigation practices and technologies are much needed. Empowering youth and women as entrepreneurs and drivers of change in the horticulture sector is essential. Private sector is needed to enhance the competitiveness of the horticulture sector and to create/retain jobs for women, youth and refugees.

SECTION: Policy appraisal

With regard to the appraisal of this proposal, the embassy has obtained feedback on the FAL concept note from representatives of LNV, DDE and RVO. This feedback has been shared with FAL that has incorporated it in their final proposal.

Policy relevance

- What policy objectives, as set out in the annual plan, policy notes etc., will this activity contribute to?

The Policy Document (PD) 2022 of the Ministry of Foreign Trade and Development Cooperation, titled 'do what we do best', states that 'the Netherlands will focus more on those themes in which it has specific expertise, such as **water, agriculture** and sexual and reproductive health and rights'. This project will utilise the expertise of Dutch knowledge institutes and private sector to make the agriculture sector in Jordan more water and climate smart as well as more competitive.

The latter links with another priority in the PD, namely **private sector development** with a focus on SMEs. Holland Horti Support 2 (HHS2) focuses fully on agricultural SMEs in Jordan. Furthermore, the project contributes to all three portfolio's in the DDE Decent Work and Economic Growth Results Framework, namely strengthening the business climate in focus countries (P1); strengthening trade and sustainable value chains (P2); and strengthening the financial sector (P3).

Climate change mitigation and adaptation is a significant priority in the PD. HHS2 contributes to this by scaling up Holland Horti Support I (HHS1) pilots on nature inclusive agriculture which includes composting. This contributes to mitigation by enhancing green cover and therefore carbon sequestration in soils. Reduction of on farm water use contributes to climate change adaptation.

The PD prioritisation of **digitisation** will be followed up under the project through digital decision support tools for irrigation to reduce water use in agriculture; a digital cropping calendar that will provide advice on the most suitable crops in terms of pricing and water use; and enhancing access to finance for SMEs through the use of mobile money platforms.

The importance of **gender equality and empowerment of all women and girls** is strongly emphasised in the PD. The project approach of HHS2 is gender sensitive and it aims to challenge the status quo in some of its elements. Several strategies have been embedded in the project approach that aim to generate interest and stimulate the engagement of women.

The PD indicates that the Netherlands will strive for meaningful **youth participation** in efforts to achieve the SDGs. HHS2 aims to include youth in all aspects of the project and will stimulate engagement of youth in several ways such as offering new and innovative technologies, digital tools and financial solutions that facilitate modern, (eco-)efficient and sustainable farming.

The final draft of the **MACS 2023-2026** and the **Annual Plan 2023** for Jordan acknowledge that agriculture is one of the few sectors that is open for refugee employment. Therefore, **private sector development** in agriculture enhances or at least retains jobs for refugees, an important priority for the Netherlands. Furthermore, MACS and annual plan stipulate that investments in agriculture have to be climate and water smart. Enhancing **SME competitiveness** and **access to finance for SMEs** are two important priorities in the MACS and annual plan that are addressed under HHS2.

The Ministry of Foreign Trade and Development Cooperation also established the overall **less, better, more flexible** policy. HHS2 follows up on that through scaling up the lessons learnt and best practices of an earlier Netherlands supported intervention (HHS1).

Rationale

- What issue/problem will be addressed by the activity?
  The ultimate **impact goal** of Holland Horti Support 2 is a future-proof, private sector driven horticulture sector in Jordan through scaling and mainstreaming of innovative and eco-efficient solutions. The issues that will be addressed by the project, are the barriers that prevent the Jordanian horticulture sector from reaching its full social, economic and nutrition potential:

  - Unsustainable **farming practices**, which are harmful for the environment, contribute to depletion of water resources, deliver products of poor quality, increase the production costs and do not enable optimisation of yields and income.
  - Cautious **attitude to change** from horticulture SMEs and supply chain companies, which makes a broader uptake of innovative practices and technologies a challenge, and limited willingness for cooperation.
  - **Lack of suitable and affordable products and services**, such as quality inputs, post-harvest services, tools and technologies, and financing solutions.
  - Inadequate availability and access to high quality **extension services**.
  - Lack of scientific-based advice and conducive regulatory framework to enhance **eco-efficient farming practices**.
  - **Limited awareness** at horticulture SMEs, supply chain companies, consumers of the climate-related challenges such as water shortage and the impact of current farming practices on farming resources and food supply, as well as on healthy food consumption in general.

- Why does the activity help to address the issue/problem? Please explain the Theory of Change.
  The **overall objective** is to develop Jordan's horticulture private sector by improving:

  - Eco-efficiency, farming practices, labour conditions and access to innovation, finance and markets of 1,300 horticulture SMEs,
  - Business performance of 63 supply chain companies,
  - The capacity of 3 sector institutions, and
  - The awareness of 75,000 consumers and farmers on the link between sustainable food production and healthy food consumption.

  To achieve this, an **integrated private sector approach** will be taken involving all relevant stakeholders in the horticulture sector, including horticulture farmers, horticulture SMEs, supply chain companies (input suppliers, packhouses, hotels, restaurants, caterers, hospitals, schools, processors, farmer cooperatives, retailers and providers of transport and storage), consumers, as well as government institutions.

  The following **key principles** have guided the design of the project and will be applied through all stages of project implementation:

  - **Market-led**. Horticulture producers, cooperatives, input suppliers and buyers are the change agents of the project. For them to grow their business sustainably in the current challenging conditions, they need access to (improved, diversified) inputs, produce, markets and finance, as well as a conducive enabling environment. This will enable them to invest in their business, and spur productivity and income increase, inducing a nation-wide uptake of innovations and improved farming practices.

- **Nature inclusive**. The promoted innovations and solutions are only for higher productivity, cost reduction, diversification and quality improvements that pass the test of long-term environmental sustainability. Nature based solutions are identified in the context of the Jordan horticultural sector and are tailored to the local conditions of the farm / area. These solutions aim to gradually steer away from predominant chemical interventions and contribute to resilience and prevention of pests and diseases, favourably impacting the micro climate and crop performance.
- **Technology-driven**. Technology can play an important role in overcoming the most pressing challenges in the agricultural private sector, if made appropriate to the local context. The latest agricultural, digital and fintech solutions will be promoted, taking into consideration the actual needs and resources of the horticulture farmers in Jordan.
- **Hands-on**. Practical support will be provided to horticultural SMEs, input suppliers and other supply chain companies to improve their financial, agricultural, operational and management capacities, and to create new mutual linkages. During all capacity building programs, messages will not purely be sent, but there will be dialogues, co-creation and demonstration.
- **Flexible**. Private sector development is not a linear process. Markets, climate change and the political landscape are among the factors that will interfere with planned activities, outputs and outcomes. As such, adaptive management practices will be adhered to, which will enable the implementers to effectively adjust to – both positive and negative – unforeseen circumstances.
- **Co-creation**. Adoption of innovations, and upholding of best practices, depend on intrinsic understanding and motivation of the involved horticulture producers and other stakeholders. Therefore, beneficiaries and partners will be involved in the development and implementation of the project activities. While mainly focusing on the horticultural SMEs and their supply chain companies, this will specifically include youth, women, public stakeholders and EKN.

To ensure efficient and cohesive project implementation, 3 **interrelated interventions ('Work packages')** were developed:

- **Work package 1 (WP1): Farming for the future**
- **Work package 2 (WP2): Business development and access to finance**
- **Work package 3 (WP3): Supportive environment and consumer awareness**

Contextual analysis

- Who is/are the target group(s) and why?
  The main target group is **horticultural SMEs**, i.e. commercial farming businesses that produce vegetables and fruit both in greenhouses and in open field, with farming being their main source of income. They farm an area of 30-40 dunums (or tunnels) on average, but depending on the region, the size can be from 20 to over 50 dunums or tunnels.
  This category of horticulture farmers represents the bulk of mainstream horticulture that supplies the country with fruit and vegetables, and is interested to grow their business and develop new markets. As such, this group can drive change at scale. Out of the total of approx. 2,500 SME horticultural farmers in the target regions, the project will target 75% (1,900 farmers) with direct interventions.
- Who are the other main stakeholders?
  Other main stakeholders are:

- **Horticultural input suppliers:** cooperating with 5 input suppliers for the provision of demonstration and training services.
- **Aggregators** (packhouses, wholesalers, large farms, retailers, CVM traders): working with 18 innovative aggregators, providing them with tailored financial and technical support.
- **Retailers:** cooperating with retail companies, engaging them in media campaigns, aiming to create new markets for horticulture SMEs and reach final customers through campaigns.
- **HoReCa (Hotel, Restaurant, Catering) sector:** inviting the hospitality sector to participate at competitions, aiming to involve 30 companies from this sector in innovative activities.
- **Financial service providers:** working with Dinarak, a mobile wallet, money transfer, electronic payment and funds disbursement service, to develop 4 financial products to the benefit of at least 400 horticulture SMEs.
- **Ministry of Agriculture - Extension services**: enhancing the knowledge and skills of extension officers on green innovations and interventions in horticulture, In alignment with the Green Growth strategy of the Jordanian government. To this end, 100 extensions officers of the MoA Extension department will be trained.
- **NARC:** establishing a collaboration with NARC on permanent horticultural research and innovation. Amongst others, supporting 3 innovative collaborative pilots of NARC and WUR, and 3 action research projects on topics to be selected by NARC and WUR during the inception phase.
- **JUST University:** cooperating with JUST University and train 100 students at the project demonstration locations, showcasing horticultural innovations.

- To what extent have stakeholders been involved in formulating the proposal?

The project approach and key interventions have been developed in consultation with horticulture SMEs, their supply chain partners and institutional partners. Through focus group discussions, a farmer survey and discussions with pilot farmers, input suppliers and other stakeholders, FAL has gained in-depth understanding of the needs and ideas of the target groups, and incorporated them in the design of this project. For example, a practical training programme was developed based on demonstrations, as farmers have expressed the need for more practical training. Also, input suppliers are interested in improving their knowledge and capacity to advise farmers, but they often lack the know-how and the initial resources to develop this capacity. The project will support a number of input suppliers to take this step and establish a demonstration unit.

FAL will also organize (a) Proposal Validation Workshop(s) with other stakeholders – including the Netherlands government – to present the proposal and obtain feedback, which will be used to where necessary modify project interventions and goals, as well as explore opportunities for cooperation with other implementing partners.

- Is the intervention aimed at a specific geographical location, and if so, why?
  The project's ambition is to achieve a sector-wide change, so the intention is to target all horticultural areas of Jordan. The focus will be:

  1. Areas where majority of horticultural farming can be found in Balqa (northern Jordan Valley) and Highlands areas (Amman, Irbid, Mafraq, Madaba Ajloun, Jerash).
  2. Pockets of horticultural production in Southern Jordan Valley, Karak and Maan regions.

  On Page 18 & 19 of the proposal, FAL justified their selection by describing the situation in each of the selected areas. Being:

  - In the northern Jordan valley:

    - Extensive use of drip irrigation.
    - Expensive land leasing, JOD 3000-8000 per year for a typical unit of 30-35 dunum.
    - Low adoption of crop rotation.
    - High pests and diseases pressure.
- In the Highlands:
    - More diverse in terms of crops (fruit, vegetables) and farm size.
    - Farmers to adopt a rain-fed cropping system due to higher rainfalls.
    - Depending on wells and canals to access water.
    - Water is considerably more expensive in the Highlands than in Jordan Valley.
- In the s**outhern Jordan Valley and the southern governorates (Karak, Aqaba, Tafileh):**
    - Home to several pockets of horticultural activity, mainly open field based, with the main production season in the winter.

Added value

- What is the added value of the Dutch government being involved in relation to other donors, the EU, NGOs and local authorities?
  The Dutch government supported the HHS1, through RVO with DDE funding, and this project is being built on activities of the HHS1 and considered scaling up on those activities. HHS1 started with the name of "Pilot project Inclusive Horticulture Value Chain Jordan", where the goal was to pilot, test and demonstrate practical, cost-effective innovations for the horticultural sector, with the objective to increase its competitiveness. HHS2 will scale up best practices generated under HHS1 and other pilot activities supported by the Netherlands government amongst others related to nature inclusive agriculture.
  The Dutch government has been a leading bilateral actor in the agriculture sector and is also recognized as such by the Jordanian government and other stakeholders. This enables the Netherlands to influence policy and the design of agricultural interventions. An example is a recently approved World Bank loan that was leveraged through Prospects funding. NL works closely with the Jordanian government, in HHS2 (and in other projects) the Ministry of Agriculture is also directly involved in project implementation. The Netherlands maintains good bilateral relations with the EU (mainly on climate change, an EU priority) and other actors. The Netherlands organizes the agriculture country table Jordan, a coordination platform for all actors (multilateral, (I)NGOs) that receive Dutch support for agricultural programming in Jordan. Through the IGG financed IFAD 'Rural Economic Growth and Employment Project' the Netherlands provides support to FAO for managing the 'Development Partners Group for Agriculture' that works on sector co-ordination. The Netherlands will organize a session with FAL and other stakeholders to present the HHS2 proposal and actively explore opportunities for cooperation based on it.
  The Dutch government has also built a reputation with its work on the water-agriculture nexus. This includes a focus on the reduction of on farm water use as well as making alternative (to groundwater) water sources available for the agriculture sector such as treated wastewater, harvested rain water and saline water. Furthermore, the Dutch government has supported a public-private policy dialogue on food security and water that amongst others – in light of the rampant water scarcity – raised the need for a fixed and limited overall water budget for the agricultural sector in Jordan.

- Are the recipients making an own contribution or co-participating in the activity, and if so, to what extent?

Yes, horticulture SMEs and their supply chain partners are making own contributions towards the project activities. Financial products for horticulture SMEs are based on a cost-sharing principle. Input suppliers, aggregators and other supply chain partners that benefit from the Innovation Fund will be required to match the amount of support by the project.

Lessons learned

- What lessons learned (from previous or comparable activities, published evaluations, relevant publications) will be addressed by the activity?

HHS1 adopted the strategy of testing and demonstrating practical, cost-effective innovations for the horticultural sector, with the objective to increase its competitiveness. These innovations, implemented in the Jordan Valley and in the Highlands, aimed to: (a) increase productivity and profitability; (b) reduce water use; (c) produce healthy crops with no residues; (d) sustain employment in the horticultural SME sector.

HHS1 has generated valuable **lessons and insights** into the challenges and strategies for the development of the horticultural sector. While some of these challenges and strategies are applicable to the broad horticultural sector, the work with farmers at different locations also indicated that specific, localised solutions are required as well.

In HHS1 **6 innovations** were selected that were suitable for specific product-market combinations (PMCs) and offered low-cost and quick-win techniques and cultivation approaches that were likely to reduce production costs, improve water efficiency and were affordable and achievable. Summarised, key findings are:

• **Air blower.** 67% of pilot farmers agreed that pollination has improved due to the use of air blower. A large majority (80%) has purchased or intended to purchase the blower. This has been corroborated by agricultural dealers who have sold over 250 air blowers in the last months.

• **Integrated Pest Management (IPM) – Scouting & traps.** Pilot farmers have reduced plant protection costs with 23% on average due to the use of scouting traps and have reported reduced impact of pests on their yield (mainly Tuta absoluta, a pest common in tomatoes, as the most pilots were conducted at tomato farms).

• **IPM – Pre-harvest intervals.** 97% of farmers stated that it is necessary to reduce the use of pesticides and improve pest management. 67% of the farmers reported that they have started applying some IPM practices due to the project.

• **Trellising hooks.** Most farmers did not know about the hooks and 67% reported that they would be interested to use them, provided that the price is right.

• **Fertigation recipes.** This innovation increased the benefits with 19% to 46% at pilot farmers. Majority of all farmers is convinced that fertigation recipes have positive impact on yield and income but it is challenging for farmers to develop them on their own.

• **Soil moisture sensors.** Water use decreased on average 52% in potato and 18% in cucumber pilots compared to standard practice. This innovation is highly appreciated by farmers, particularly in the Highlands where the cost of water is higher; however, the investment cost of soil moisture sensors is relatively high. A suitable financing solution would help to solve the financial barrier for adoption.

• **Late blight app.** 70% of the farmers who participated in the pilot found the app a useful decision support tool. It has become clear, however, that farmers are not used to data-based decision making so that wider adoption of this kind of solutions needs to be accompanied by sufficient training and support.

Key learnings from the Horti Support project implementation are:

• The criteria for **selection of innovations** as defined at the beginning of the project remained largely valid. The most appreciated innovations were low cost, easy to include in the existing practices and delivered clear benefits. Monitoring of the results and making management decisions based on data remained a challenge; most of the pilot farmers who participated in the project required extended

support from FAL's technical staff for monitoring, recording and interpretation of the data.
• **Knowledge transfer** is essential for adoption of innovations. Pilot farmers have appreciated the intensive technical support provided by the project agronomists. Some have, however, expressed their concern for the future as they did not yet feel fully competent to utilise the innovations.
• In terms of **training delivery**, farmers appreciated personal advice the most, followed by group training and information dissemination through social media (videos, webinars).
• The most **effective training** sessions for horticultural farmers are (at least for a part) practical, and do not take up more than 2-4 hours per session. Whenever possible, they are given at a location close to the target group and the timing takes into account the workload and seasonal activities of farmers. Farmers are usually interested to attend sessions that are organised in cooperation with input suppliers.
• Horticultural SMEs in Jordan are keen to improve their farming income but the majority is reluctant to change. **To drive change**, it is essential to engage lead farmers who in the rule run a larger, professional farm, and are open minded for experimentation and new technologies.
• SME farmers have **limited awareness** of the (long-term) impact of their farming practices on water reserves, soil quality, biodiversity and climate change. While improved awareness of these mutual dependencies is likely to trigger the introduction of new practices to some extent, it is essential to look at the financial consequences of such actions too.
• Farmers tend to be more convinced about innovation when they can **see the results** themselves and hear about the experiences of other farmers. Financial impact of the innovations should be shown clearly and preferably supported by statements of peers.
• **Facebook** has proven to be an effective channel of communication and engagement with famers. Over 4,500 farmers have followed the Facebook page of the Horti Support project and several hundred have registered, watched videos or made inquiries.

Regarding **employment**, based on the findings from previous projects in the sector, despite the challenging situation in horticulture, farmers do not abandon horticulture farming. A slight trend of decreasing the farm size has been signalled, particularly at smaller farms. This was accompanied by a similar decrease of workforce. It is also worth noting that one of the main reasons for decreasing the labour force at horticulture SMEs is economical; i.e. the cost of labour and / or farming in general do not allow for employing additional staff. Improving the productivity of the farm is therefore essential for preservation of jobs in the sector.

Through **promoting innovation** and **eco-efficient solutions**, the project aims to create conditions for a sustainable and thriving sector that will **(a) preserve and create decent employment,** and **(b) stimulate more knowledge-intensive jobs**. Via these interventions the project will impact at least **7,800 farm workers and over 10,000 seasonal workers**, including a significant number of **refugees**, assuming an average of 6 farm workers and 8 seasonal workers per horticulture SME. Currently, the average workforce count at greenhouse-based farms is 8 male and 1.3 female employees, and 6 seasonal workers. For open field farms, the average number of staff is 4.4 male, 1.3 female and 10.2 seasonal, as summarised in the following table.

Average workers per farm	In 2022
Male	Total 5.3 / Tunnel 8.0 / Dunum 4.4
Female	Total 1.3 / Tunnel 1.3 / Dunum 1.3
Seasonal	Total 9.1 / Tunnel 5.9 / Dunum 10.2

Gender

- Does the proposal include a gender analysis?

The proposal does include a brief gender analysis. An identified bottleneck is that due to cultural reasons, women are underrepresented as heads of farming businesses and as business owners. An identified opportunity is that there is a growing number of well-educated women entrepreneurs in

the sector. Also, women are preferred on some positions in the vegetable and fruit processing (e.g. sorting, grading, packing). The applicant has also observed a growing number of female graduates of agricultural colleges who find employment both in the public and the private sector, contributing to a shift in perception of which jobs are appropriate for women.

- Does the proposal justify the target group's gender-specific interests and needs (and why)?

Yes, the proposal does address this. The applicant indicates that the project approach is gender sensitive in all of its activities, while it also aims to challenge the status quo in some of its elements. Several strategies have been embedded in the project approach that aim to generate interest and stimulate the engagement of women, such as:

• Encourage female participation in the demonstration and training programmes by organizing dedicated sessions for women.
• The awareness campaigns will explicitly target women and will include women role models to enhance women participation in the project.
• If SME leadership are not willing to work towards improving the position of women in their organisations, the project will not engage with them, this will be a selection criterion for cooperating partners and an eligibility criterion for the Innovation Fund.
• 50% of project management staff positions will be female, demonstrating the commitment to gender equality by example.
• The project will contribute to safe and decent working conditions for women employed in the horticulture sector.

- Have women and young people been included in the stakeholder analysis?

Yes, both women and young people have been included. The project aims to include youth in all aspects and will stimulate engagement of youth in several ways:

• Offering new and innovative technologies, digital tools and financial solutions that facilitate modern, (eco-)efficient and sustainable farming.
• Providing opportunities for investment and new business linkages.
• Providing a tool for succession plan development aimed at enabling easier transition of farms to the next generation.
• Implementing an awareness campaign through media that are popular among youth.

The project aims to include at least 40% of youth in the core FOF training programme for horticultural SMEs. Innovative, future-oriented technologies and practices and digital tools are likely to generate interest among young farmers, who are in the rule more open for new ideas and solutions. Among the 400 horticultural SMEs who will be supported to adopt innovations through new financial products, FAL also target 40% youth.

The succession plan tool that will be developed by the project targets the next generation of horticultural farmers. The project will support 10 young farmers to prepare such a plan and take over the farming operations from their predecessors. The project will train 30 staff of input suppliers who will cooperate on the demonstration sites. Of these staff, 40% are expected to be youth under the age of 35.
HHS2 will work with 10 innovative entrepreneurs in the organic waste sector. It is expected that at least half of these entrepreneurs will be youth. In the knowledge transfer activities with Extension services, the aim is to include at least 40% of young extensionists. Naturally, the 100 students of the JUST University that will be trained are all young people.

Climate change

- Does the proposal include an analysis of the possible effects of climate change on the activity or its results?

The project includes an extensive analysis on (the effects of) climate change in Jordan that is resulting in more extreme weather events and increased water shortages. Both have a profound impact on the horticulture sector in Jordan.

- Does the proposal include any interventions to combat these effects (adaptation/mitigation)?

HHS2 builds on several Dutch government supported pilot initiatives implemented by Advance Consulting on nature inclusive agriculture. This includes a pilot on composting that will be scaled up under HHS2. These nature inclusive agriculture interventions aim to contribute to enhanced soil fertility and green cover which in turn contributes to carbon sequestration in soils and therefore climate change mitigation. Furthermore, the intervention supports farmers to reduce on farm water use and water efficiency, which is a climate change adaptation measure.

Cooperation, harmonisation and alignment

- Does the activity involve cooperation with Dutch organisations, the EU or other donors (including delegated cooperation), local organisations or other parties?

Yes, FAL itself came out of Advance Consulting, a Dutch organisation. Wageningen University and Research (WUR) will be an implementing partner for this project, as it was under HHS1. FAL will explore collaboration with a range of Dutch horticultural companies such as Holland Greentech, Nectaerra, RijkZwaan, Nunhem Seeds and/or Bakker Brothers, Waterboxxx and Acacia Water to introduce Dutch technology and inputs to the horticulture sector. Regarding composting, there will be cooperation with BVOR, the Dutch Association of Biowaste Producers. For HoReCa there will be collaboration with From Farm to Fork, an Dutch initiative that amongst others promotes culinary tourism. HHS2 will also connect with the Foresight for Food Systems Transformation (FaST) Programme, a three-year foresight programme in five countries across Asia, Africa and the Middle East, aimed at supporting national policy dialogues around food system transformation. Jordan is among the five countries invited to participate in this programme. The FaST program will be implemented by Foresight4Food and WUR. There will be close cooperation with the Jordanian government (MoA, NARC) as well as with the World Bank and ILO.

- How does the activity contribute to harmonisation and/or multi-donor financing?

The activity contributes to harmonisation through intensive coordination and cooperation with relevant public, private and civil society actors to enhance synergies and avoid duplication. FAL has an excellent reputation when it comes to building relationships with other actors. The embassy will continue to host the Agriculture Country Table Jordan, a coordination platform for all actors (multilateral, (I)NGOs) that receive Dutch support for agricultural programming in Jordan, that also contributes to harmonization.

- What is the degree of (policy and financial) alignment?

The activity aligns well with the Policy Document (PD) 2022 of the Ministry of Foreign Trade and Development Cooperation, with the Decent Work and Economic Growth Theory of Change and Results framework of DDE and with the MACS 2023-2026 and Annual Plan 2023 for Jordan.

Digitalisation

- Have proposed digital technologies been developed or chosen in collaboration with end-users?

Digitisation will be supported under the project through digital decision support tools for irrigation to reduce water use in agriculture; a digital cropping calendar that will provide advice on the most suitable crops in terms of pricing and water use; and enhancing access to finance for SMEs through the use of mobile money platforms. These digital technologies have been developed based on lessons learnt through engagement with beneficiaries during HHS1.

- Does the proposal include an analysis of the local digital ecosystem?

The goal of the intervention is a future-proof, private sector driven horticulture sector in Jordan through scaling and mainstreaming of innovative and eco-efficient solutions. Digital solutions can contribute in certain areas but it is not the key focus of the project. A full analysis of the entire local digital ecosystem would therefore not fit the scope of the intervention and would not be cost effective. An analysis has been made for the specific areas in which interventions take place.

- Is data security guaranteed?

Besides mentioned digitization tools, the project beneficiaries will be registered in an Odoo database. FAL will never share any data from this database, except for reporting purposes to the donor, and it will ask permission of project beneficiaries for inclusion in the database. Odoo

accessibility is arranged via user-rights and role-based settings. This implies that access is only possible via a unique login code in combination with a two-factor authentication. In addition, Odoo distinguishes different roles, and a user can only see data for which he/she has been authorised. Additional information about Odoo's data security can be found in their manuals: Odoo Security. Other digitization tools will be developed by external software developers. During contracting FAL will assure that these tools can only be used by the beneficiaries and that data will not be shared with other parties. FAL will also formalize that accessibility will be safeguarded via user-rights and role-based settings.

- Are digital solutions locally sustainable/relevant?

The digital interventions are designed to provide sustainable solutions for local agricultural problems related to water use, crop selection and access to finance. So these digital solutions are indeed locally relevant.

- Is duplication avoided?

FAL interacts intensively with actors working in the same field to create synergies and avoid duplication.

Additional remarks (if applicable)

SECTION: Results

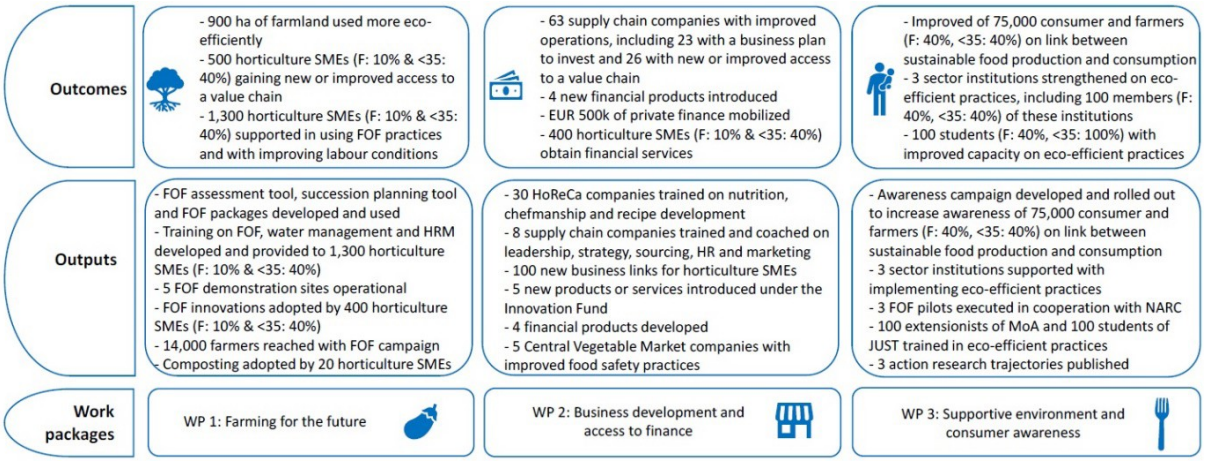
- What are the main OUTPUTS (services and products) that will be delivered through the activity? Describe briefly.

See chart below.

- What are the main OUTCOMES (changes and effects for the target groups) that will be achieved through the activity? Describe briefly.

See chart below.

- For each OUTPUT and OUTCOME mentioned above, specify how it will be measured:
  - Specify the indicators if they exist.
  - Specify the baseline values and targets if they exist.



- What method will be used to gather and monitor the data?

Data collection will be an integrated project activity of the project. For example, the project will develop a 'Farming for the Future' (FOF) assessment tool, which measures the performance of horticulture SMEs on the four FOF tracks. The FOF assessment tool will also be used as M&E tool to monitor the project's performance on eco-efficiency. Reporting will be in accordance with IATI standards, and the project will take a thorough, yet pragmatic, M&E approach, combining qualitative and quantitative methods of data gathering. Odoo will be used for data management, which is a flexible and user-friendly web-based environment.

The **M&E plan** will be created during the first months of project implementation. It will be based on:
• The Theory of Change.
• Logical framework and its definition of key performance indicators (KPIs).
- • Methodologies and timing of data collection for different indicators. Record the following in **the results application:**
  - the thematic results frameworks that apply to this activity;
  - the relevant indicators (including baseline values and targets if they exist).

The following will be recorded in the results application:

Revised PSD Direct Result Framework:
E Number of MSMEs gaining new or improved access to a value chain business development
F Number of direct jobs supported in individually supported MSMEs
H Number of direct beneficiaries supported with improved labour conditions in accordance with international agreements
J Amount of mobilised private finance (in thousand EUR)
Q Number of MSMEs that obtain financial services access to finance

FNS Results and Indicator Framework 2022:
Outcome: 8 million hectares of farmland converted to sustainable use
Outcome Indicators:
C.1. Number of hectares of farmland under at least 2 conservation practices
C.2. Number of hectares of farmland that agro-ecologically became more resilient to shocks

- Have these results frameworks been communicated with the implementing organization?

The DDE results framework and related documents have been shared with FAL as this project is financed through DDE delegated funding.

- Do the indicators correspond to one or more of the 17 indicators on which the ministry reports to the Dutch parliament? If not, why?

Yes, the project to a greater or lesser extent corresponds to indicator 1 'the number of jobs supported through private sector development programs'; to indicator 4 'the number of farmers reached with activities focused on increase of productivity and/or income'; to indicator 5 'the number of hectares farmland reached with activities focused on more eco-efficient usage'; and to indicator 17 'the number of people supported in the developing of income generating activities'.

SECTION: Monitoring and evaluation

Monitoring
Specify what reporting information is required for this activity, based on the activity analysis decision tree (see Help). Include the following elements:

- Planning versus realisation: tracking progress against predetermined objectives as laid out in the project proposal.
- Performance and quality: checking relevance and appropriateness of the implementing organization's performance based on key assumptions in the proposal and the outcomes of the risk analysis.

Pay attention to the method and frequency of monitoring and describe the roles and responsibilities. For further information, see Help.

The implementing organisation will be required to submit annual plans and budgets; annual narrative and financial progress reports; and at the end of the project a final narrative and financial report covering the entire project period. The implementing organisation will also report on IATI and share their annual audited accounts, in which the Dutch contribution for this project should be clearly discernible. Monitoring will take place against the formulated budget; objectives; indicators;

and risks and risk mitigation measures.

Evaluation
Describe whether a final evaluation and/or a mid-term review has been planned. If yes, state:

- who will commission the final evaluation and/or mid-term review (for options, see Help);
- whether the procedure and practical arrangements have been agreed on with the implementing organisation (for details, see Help).

The budget is less than 5 million Euro's but nevertheless an external mid-term evaluation is recommended that can take stock on performance against planned results thus far and can recommend adjustments in approach where necessary. The intention is to have mid-term evaluation report completed before 31.12.2024 so that there is sufficient time to factor in recommendations in the remainder of the project period.

SECTION: Finance

Budget breakdown

- Include an overview of the activity budget, including overhead costs.
- Is the budget arithmetically correct?
- Are the amounts/rates in the budget acceptable?
- Briefly explain the structure of the budget.
- Are overheads proportional to outputs? What is included? What is recharged?
- Is implementation conditional on the budget being amended in an inception phase? (Specify the requirements that the budget must satisfy and the date by which the budget must be amended).
- Is the budget suitable as a management tool (linking outputs to budget)?

The total budget amount of just below 4 million Euro's is acceptable. The budget is arithmetically correct. In terms of structure, the budget is designed around the three work packages therefore linking outputs to budget and making the budget suitable as a management tool. The budget also separately indicates project management and MEL costs and it has an elaborate version with a high level of detail and a summary which enables the reader to easily zoom in and out.

Earmarking

- NOT earmarked

Prepayments

- Yes these are prepayments
- 95% as prepayments
- 5% as final payment after approval of all reporting obligations (see below)

Available resources

	Foreign currency	**EUR**
Implementing organisation's own contribution		*0*
Firm commitments by other donors (for each donor)		*0*
Dutch contribution		*3.999.698*
Total available resources		***3.999.698***
Budget needed		***3.999.698***
Still to be financed		***0***
Soft commitments by other donors (for each donor)		*0*
Uncovered balance		***0***

- No non-financial contributions relevant to implementation of the activity
- Uncovered balance will be recovered and explained in the audit/evaluation with regards to reduction in outputs

Grant with a repayment obligation, loans, equity investment or guarantee

- N.A.

Audit opinion

- Is an audit opinion required for the activity (see Help)? Briefly explain.
- Should the audit opinion be accompanied by an additional auditor's report (for example, on the risks set out above, or on monitoring that the organisation carries out on its prepayments to other organisations)?

Audit opinion on the beneficiary's annual accounts; activity identifiably included