



Administrative report

2019

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.

Ms. Mays Masri- Member.

Mr. Ahmed Sourani- Member.

Mr. Ibrahim Barghouthi- Member.

Administrative Team:

Mr. Khalil Al-Khatib- Executive Manager.

Mr. Muhsen Abu Ramadan- Gaza Branch Manager.

Ms. Rola Aways- Human Resources and Administrative Officer.

Introduction

The year 2019 did not bring new for the Palestinian people, except more biased American positions and support for the right-wing government in Israel. As the features of the "Deal of the Century" adopted by the Donald Trump's administration to resolve the Israeli-Palestinian conflict began to form, in line with the Israeli vision of resolving this conflict.

As after moving the US embassy to Jerusalem and recognizing Jerusalem as the capital of Israel in 2018, the US administration continued to take harsh measures against the Palestinian people, specifically cutting aid to the West Bank and Gaza Strip, ceasing the US contribution to the UNRWA payments for Palestinian refugees, and continuing its diplomatic blockade of the Palestinian Authority in international forums and UN institutions.

During such policy, the United States held the Bahrain Economic Conference, which is the economic section of the Deal of the Century, aiming at fundraising for the Palestinian people in the West Bank and Gaza Strip to barter them for abdicating parts of the West Bank and Jerusalem to Israel and renouncing the rights of refugees.

In 2019, a new Palestinian government was formed headed by Dr. Muhammad Shtayyeh, which was opposed by Hamas and its allies in the Gaza Strip and considered it a government that does not represent national unity. Accordingly, and despite repeated reconciliation attempts, the Palestinian division remained unchanged and even deepened.

The year 2019 also witnessed an internal political movement after Palestinian President Mahmoud Abbas called for holding presidential and legislative elections in the West Bank, including Jerusalem and Gaza Strip, but such call did not take place on the ground due to the Israeli intransigence regarding involving Jerusalem on one side and the inability to agree with Hamas movement on the conditions and mechanism for conducting it, on the other side.

At the beginning of the year, a Palestinian-Israeli financial dispute has erupted on a political ground, as Israel started to deduct the allowances for the families of prisoners and martyrs from the funds of the Palestinian Authority, which was followed by a Palestinian reaction by refraining from receiving the deducted funds, which caused the government a "spending crisis" that lasted for more than 7 months and affected the Palestinian economy, including the banking sector and lending institutions. The suspension of clearance transferring from the Israeli side, accompanied with the faltering of the payment of government sector salaries, in addition to the suspension of all US aid to the Palestinian Authority and UNRWA, and a decrease in the volume of foreign aid, especially from Arab countries, are factors that affected the Palestinian economy; which led to a decrease in the per capita GDP by 1.3% compared to 2018, stabilization of unemployment rates at 26%, recession of

the agricultural activity, which is the main work sector that ACAD is involved in, since the value added of the agricultural sector has decreased by 1% compared to the previous year.

Executive summary:

Despite ACAD's constant efforts to seek funding opportunities, there was a significant decline in the volume of funding during 2019 that affected the number of implemented projects and also affected ACAD's financial condition, number of projects, grants and agreements reached 6 projects with a total value of 263,625 USD.

At the beginning of 2019, the implementation of the "Land and Rights" Project was launched, which is a 3 year project that aims at supporting and empowering cooperatives economically and socially targeting the areas of Jerusalem, Bethlehem, Hebron and Salfit. The project was funded by the Italian Agency for Development and Cooperation AICS, managed by the Italian COSPE Foundation and implemented by ACAD and in partnership with the Palestinian Youth Union, Al-Haq Foundation and the International Labor Organization (ILO) office in Jerusalem.

ACAD continued its activities and services provided to the beneficiaries, through "Our Future" project, which is funded by the Italian Agency for Development and Cooperation AICS and managed by the Italian AVSI Foundation and implemented in cooperation with the Bethlehem Arab Society for Rehabilitation BASR, ACAD Finance Company and the Palestinian Employment Fund. The project aims at increasing job opportunities for vulnerable groups. The project targeted the areas of Jericho, Bethlehem, Hebron, Nablus, Qalqilya, Tubas and Jenin, where ACAD trained persons with disabilities on how to start and manage their own business.

At the same context, ACAD continued its activities through "Let's Start" project with the Italian EducAid Foundation targeting the areas of Nablus and Ramallah, in addition to "Enhancing exchange and economic cooperation and supporting cross- border business partnerships" project funded by the European Union and managed by Palestinian Consultative Staff for NGOs Development (PCS), which aims at enhancing exchange and economic cooperation and supporting cross-border partnerships By supporting male and female entrepreneurs with innovative project ideas.

One of ACAD special projects was "Plant one million olive trees", the project aims at planting olive seedlings and is implemented for the seventh year consequently.

On the other hand, At the beginning of 2019, some projects that were ongoing for previous years were completed, the project activities have been completed in Beit Sakarya and Beit Sira, funded by solidarity associations and French municipalities Union, as well as the activities of the training and rehabilitation project for persons with disabilities funded by the Bethlehem Arab Society for Rehabilitation BASR were completed.

In the Gaza Strip, ACAD was not able to receive funds for new projects during 2019, but it worked on networking and opening a new partnership with Action Against Hunger Foundation with which it is expected to implement a mutual project at the beginning of 2020.

The lack of funding constituted a crisis and financial loss for the ACAD and had a significant impact on the financial and operational situation, and based on the financial crisis, and due to the existence of an accumulated and continuous unbearable loss that may threaten its sustainability status and legal existence, ACAD went through a restructuring process to be able to achieve the goals for which it was created for, which led to limit ACAD's staff, by terminating the contracts of all workers on 10/31/2019, paying all dues and fees and notifying the Palestinian Ministry of Labor . The Board of Directors also worked on a preliminary study of the ACAD's needs of employees, identifying jobs according to the structure and according to the existing projects, giving priority and importance to funding, searching for funding opportunities and writing projects to get out of the crisis and revitalize ACAD.

Work in ACAD continued on a voluntary basis and under direct management by the Board of Directors, provided that a strategic plan for the years 2020-2022 was prepared and some employees were contracted as needed at the beginning of 2020.

Programs and projects

Main projects and activities implemented by ACAD during 2019

1. The Land and Rights Project:

The project aims at empowering and strengthening cooperatives economically and socially. The project focuses on supporting and empowering agricultural cooperatives located in marginalized areas of Yatta, northwest Jerusalem, Salfit, and southwest Bethlehem. 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.

The project provided services to cooperative (general information, legal framework, strategic and technical support, access to finance programs, value chain) in the targeted areas, also it support the implemented small projects in the field of management, marketing and products distribution, ACAD continued its support through special training for targeted cooperatives based on their needs such as: project management, cooperative thought and principles of cooperative work, principles of savings and credit.

These services and activities were monitored through hubs (coordination bodies) located in the target areas of the project.



During 2019, the following activities were carried out:

1. A series of introductory meetings targeting 4 locations to introduce ACAD and the Land and Rights Project. All agricultural cooperatives and relevant civil society institutions were invited to these meetings. Representatives from regional offices of the Cooperative Work Agency and the Ministry of Agriculture participated the meetings.
2. A training for trainers (TOT) in “Cooperative Thinking, Start Cooperation and My Cooperative” the training course was organized by International Labor Organization (ILO) office in Jerusalem. The training targeted ACAD’s staff working on the project, as well as employees from the Cooperative Work Agency, the Ministry of Agriculture, the Cooperatives’ Union, and the Palestinian Youth Union.
3. Two training courses for members of the board of directors of targeted cooperatives, where a training course was held in Nablus and the other one in Hebron, the courses were organized and supervised by ACAD.
4. Field visits to the targeted cooperatives, where the objective of the visits was to assess the situation of the cooperatives and guide them to correct and improve their conditions and know the strengths and weaknesses of each society. The visits were conducted by ACAD and ILO office in Jerusalem.
5. Implementing training courses in the field of “cooperative thought” for members of cooperatives (the board of directors and the general assembly), where two courses have been implemented, and the rest of the courses will be completed during 2020.

2. Training and Rehabilitation of Persons with Disabilities:

The training was implemented in cooperation with Bethlehem Arab Society for Rehabilitation (BASR), which targeted group of persons with disabilities and trained them on “How to start your project”. The project has been implemented in Nablus Governorate, through two successive sessions targeting 30 beneficiaries.

Additionally, 26 economic plans were prepared during the two sessions held in Nablus governorate, knowing that the targeted group was from the governorates of Nablus and Tulkarm and their surroundings.

In addition to the preparation of economic plans, each beneficiary was visited, and all the administrative and financial directives applied in the guidance mechanisms for the owners of emerging and developed projects were provided.



3. “Let’s Start Up” project:

During 2019, field visits to projects’ beneficiaries of were completed, so that the mechanism of work and the stages of project implementation were reviewed, and the beneficiaries received administrative and financial guidance. ACAD continued to transfer funds to each beneficiary according to the stage that was completed by them.

It is noteworthy that this project targeted 14 beneficiaries from Ramallah, Al-Bireh and Nablus governorates. The project's goal is to promote social business initiatives through the establishment and support of social businesses to encourage personal initiatives and self-employment for women with disabilities and mothers of persons with disabilities.

The project is funded by the Italian Agency for Development and Cooperation AICS and managed by the EducAid Foundation.

4. “Enhancing economic and cooperation exchange and supporting cross- border business partnerships” project:

After the completion of the implementation of the three phases of the project, which included: targeting and selecting entrepreneurs in the governorates of Nablus, Tubas, Tulkarm and Qalqilya, and then holding an introductory workshop on the project, and then building the capacities of entrepreneurs through a training courses tackling various topics on entrepreneurial

skills and enhancing the concept of entrepreneurship in addition to basic skills in project management and business plans were prepared by the entrepreneurs.

The fourth phase of the project was completed during 2019, when 5 entrepreneurs were nominated out of 15 who presented their pioneer ideas to ACAD and competed with 30 entrepreneurs from other incubators and economic empowerment institutions participating in the project.

Two of ACAD's five projects were funded after strong competition with the other entrepreneurs. The first project specialized in making olive oil soap made with herbs and milk to alleviate skin problems, and the second project was designing and tailoring dresses in a modern, traditional style.



5. Mustaqbalna “Our future” project:

Mustaqbalna project aims at building the capacities of persons with disabilities. 3 training courses were completed within the project in three governorates: Nablus, Hebron, and Bethlehem. The total number of trainees was 66 male and female trainees where all participants were able to prepare economic plans.

Appropriate guidance was provided to each beneficiary through field visits, where the guidance focused on several financial and administrative issues and concepts about project management, marketing mechanisms, financial movements documentation, bonds, checks, and dealing with customer and supplier.

The number of borrowers this year reached 68, who obtained a loan from ACAD after fulfilling all requirements and after submitting a business plan for their project.

During the year 2020, ACAD will organize and implement exchange visits for 110 beneficiaries in order to exchange experiences and get lessons learnt of previous projects and benefit from successful pilot experiences.

The project is funded by the Italian Agency for Development and Cooperation AICS, managed by the Italian AVSI Foundation, and implemented by ACAD in partnership with ACAD Finance, in addition to the Bethlehem Arab Society for Rehabilitation and the Palestinian Employment Fund.



6. Olive Tree Planting Project 2019:

Within the activities of “One million olive trees plantation” program, implemented in partnership with the Arab Agronomists Association; Olive seedlings were distributed focusing on the northern area of West Bank, particularly in rural areas of Jenin governorate, due to the interest of the population there in olive trees cultivation and its location close to separation wall. The distribution also took place in the village of Al-Mughayer in Ramallah governorate, Kufor Zibad , Tulkarem and Nazareth.



ACAD Finance:

Despite the difficult circumstances witnessed in 2019, ACAD for Finance and Development Company, in which the Arab Center for Agricultural Development is the largest contributor, continued its activity in financing small and micro projects.

The fund amounted to 5 million US dollars financed about a thousand projects. At the end of the year, the loan portfolio of ACAD Finance amounted to 11.17 million dollars; 96% of them were allocated to production projects and the rest were allocated to personal loans.

The share of women in the portfolio was 52%, 56% of the borrowers from refugee camps and rural population, while 50% of the borrowers were young people under 35 years of age.

Agricultural loans amounted to 35% of the total portfolio.



Public Relations and Networking

❖ **Public Relations and Networking at local and international Levels :**

ACAD maintained its relations with the local and international institutions and organizations that it worked with, also it continued to reinforce its relations and partnerships with financiers and former partners and work to present joint projects, in addition to opening and renew relations and partnerships represented in the following:

- **Palestinian Ministry of Agriculture:**

ACAD has signed a memorandum of understanding agreement with the Palestinian Ministry of Agriculture, where the memorandum aimed at cooperation, integration and full partnership between the ministry and civil institutions in a way that serves the national interest of the agricultural sector, promotes better use of available resources, establishes the principle of transparency and publicity, and involves the target groups of farmers in the planning and implementation and evaluation process of agricultural activities, stresses the importance of working in marginalized areas threatened with settlements a top priority for the government, work to raise the share of the agricultural sector in the general budget with the aim of raising the sector's contribution to the gross domestic product, and providing full support to civil institutions working in the agricultural sector.

- **Center for Arab Women Training and Research "CAWTAR":**

"CAWTAR" Center is a regional non-governmental organization for research and studies on women's issues and development in the Arab region. Within the framework of the "Financial Inclusion of Women and Youth Entrepreneurs in the Arab Region" project, employees of the Arab Center for Agricultural Development "ACAD" and ACAD Finance and Development completed a training course. In the field of training trainers in financial education, an agreement will be signed with the "CAWTAR" center for ACAD to implement trainings with the target groups.

- **Cooperative Work Authority:**

The relationship with the Cooperative Work Authority was strengthened and improved, and cooperation frameworks were discussed in order to advance the cooperative movement and intensify and unify efforts.

- **Arab Agronomists Association:**

Implementation of the olive tree cultivation project activities and planning for future partnership projects.

- **Action Against Hunger:**

A new partnership to sign a project agreement to "reduce the vulnerability of families affected by the events of the return marches by increasing access to basic food needs and psychological support services".

- **Grow Project:**

Assistance in reaching out to women's cooperatives and women to create economic opportunities for female entrepreneurs who own individual projects or women's institutions and cooperatives in the West Bank.

- ❖ **Participation in international conferences:**

International Land Coalition Conference: It was held in Italy, and many participants from all around the world were in the conference in addition to international institutions. The conference aimed to develop strategies for EMENA countries to work to promote the rights of youth and women to land and how they can access and work on land through the implementation of programs through cooperative societies.

- ❖ **Membership in local and international networks:**

ACAD maintained its membership in: PNGO, the International Land Coalition Network (ILC), the Land and Housing Rights Network, and the Food Security Sector (FSS).

List of implemented projects in 2019

Project title	Donor	Budget
Developing food processing unit, Beit Skaria	L'Avenir social Association	4,036.10
Economic initiative supporting Beit Sira Village	Palestinian French Decentralized cooperation network	6,898.25
Saffa Women's project	Sergie municipality and French solidarity associations	43,905.90
Olive seedlings plantation project 2019	French solidarity associations	5,165.65
Let's Start Up	EducAid	48,497.15
Mustaqbaluna "our future" project	AVSI	72,398.80
Enhancing economic cooperation and exchange	Palestinian NGOs development Consulting commission	6,759.61
Land and rights project	COSPE	63,684.04
Training and rehabilitation of Disabled persons	Bethlehem Arab Society for Rehabilitation BASR	12,280.21
Total value of signed agreements		625.71,263

Resources

❖ Human Resources:

The number of employees at the end of 2019 was (15) employees, 9 females and 6 males.

ACAD worked on developing the capabilities of its staff and raising their competencies through their participation in training courses inside and outside Palestine that were held through international and local institutions, as following:

- Training of trainer's course on "Cooperative Thinking, Start with Cooperation, and My Cooperation", the course was among the activities of the Land and Rights Project and was supervised and organized by the International Labor Organization (ILO), where international and local experts were present. The course was held in Ramallah and lasted for 10 training days. 5 Female and male have participated from ACAD staff.
- Training for trainers in financial education, which was held in Amman, under the supervision and organization of the CAWTAR Center. The course was attended by: the staff of ACAD, ACAD finance, the Union of Savings and Credit Associations, the Jordan National Bank for financing small projects, and the Jordanian National Committee for Women's Affairs.

