

172nd Session of the Council

Item 7: Update on the Hand-in-Hand Initiative

FAO welcomes the positive feedback received from Argentina regarding the Hand-in-Hand Initiative (HIH) and acknowledges the ongoing support and engagement of Argentina to the 2022 Hand-in-Hand Investment Forum. FAO warmly welcomes the interest and expression of willingness to support the Hand-in-Hand Initiative and specifically the offer of experience and knowledge on sustainable agrifood systems to other countries requiring help under this initiative. The HIH team will follow up with a request for a bilateral meeting with the Permanent Representation of Argentina to discuss options for taking this valuable support forward.

Regarding the query received from the Russian Federation, Tajikistan is a member of the Hand-in-Hand Initiative since December 2020. Work has progressed based on the National Investment Plans (2021-2030) developed with the support from the FAO Investment Centre, which led to the production of multiple technical reviews and briefs aiming to support investments and catalyzing agrifood system transformation.

The programme utilized HIH Geographic Information System (GIS) analytical outputs (i.e. typologies of territories with high poverty rates and agrifood system potential) and complemented efforts that led to the development of a national investment plan atlas which allows different data and information to be combined to assist decision-making and investment planning. On this ground mapping key supply areas for commodity value chains that are national priorities (e.g. dairy products, wheat etc.) alongside with information on key infrastructure layers (transportation network, power grids, internet access etc.) supports targeting locations where investments will make the sector and subsector more productive and competitive.

These efforts are maturing to two projects the International Fund for Agricultural Development (IFAD) and the World Bank aim to implement, while discussions are ongoing on streamlining the development of an additional five investment proposals with the Islamic Development Bank. Finally possibilities aiming to enhance collaboration with the Asian Development Bank are also being explored.

With reference to the request made by Australia, FAO is pleased to provide detailed information on the FAO Regional Asia and the Pacific Technical Co-operation project “Enabling inclusive and effective blended investment in agrifood systems in the context of the Hand-in-Hand Initiative (HIH)”, the project was operationalized on 1 March 2023 and will be active until 28 February 2025. The project has a total budget of USD 483 000 and covers Bangladesh, Bhutan, Lao People's Democratic Republic, Nepal and the Solomon Islands. The project has a results-based planning approach including Indicators Baselines, Means of Verification and Assumptions. The HIH Secretariat can arrange a more detailed briefing for the Permanent Representation of Australia and other interested Members, with the Lead Technical Officer of the project, to discuss the details and explore further engagement.

FAO also welcomes the comment on the need to enhance Monitoring and Evaluation (M and E). The HIH team plans to launch a new version of the HIH Dashboard which will address a few issues, and to add a new feature on resource commitments from the Hand-in-Hand Investment Forum 2022. The HIH Secretariat is working to improve the M and E of the Initiative and, within the limited resources currently available, progressively building the Dashboard as well as its interoperability with other corporate reporting and M and E systems in FAO for long-term sustainability. This will also facilitate improved communications with Members.

FAO welcomes comments, advice and positive feedback received from the United States of America on the Hand-in-Hand (HIH). Most of the investments under HIH represent new investments for Members in line with the HIH efforts towards agrifood systems transformation. We also have one larger

investment where a member Government is actively considering reallocating resources, largely from less performing interventions, into HIH identified opportunities as the per the Investment Forum 2022.

FAO also welcomes the valuable comments on the need for feedback from Members. The Hand-in-Hand website was recently upgraded and expanded. As an initial step the website now contains multiple videos from Ministers who participated in the Investment Forum last year providing their feedback.

FAO appreciates the comments on the cost that the process might cause for beneficiaries. Costs do vary from one country to another given that it depends on the specific investment and in some cases, the benefits although small, in number of direct beneficiaries, are significant when including indirect beneficiaries. It is also important to mention that in all of the investment plans important rates of return are identified, as mentioned in the 2022 Investment Forum. We will continue to support the Members to explore and engage with investors, including through a new online App which will be released shortly to facilitate ongoing engagements with Investors, beyond the duration of the Investment Forum.

Finally, regarding the comments received by the European Union, FAO is an active participant in the United Nations Sustainable Development Cooperation Framework (UNSDCF), providing technical expertise and support to countries in achieving the 2030 Agenda for Sustainable Development, especially in the areas of food security, nutrition, agriculture, forestry, fisheries, and natural resources management.

FAO is a key UN agency actively engaged in the development of Principles for Responsible Investment in Agriculture and Food Systems (RAI) and other relevant Committee on World Food Security (CFS) policy recommendations and guidelines, with full alignment of its initiatives. FAO's work through the Hand-in-Hand Initiative, contributes to aligning globally agreed products like the CFS Principles for Responsible Investment in Agriculture and Food Systems, with priorities and programmes emerging from national needs and realities as they result from the Common Country Analysis (CCA), which is the operational basis of UNSDCF. The HIH Initiative in each of its countries supports the identification and analysis of investment opportunities. The Hand-in-Hand Initiative aims to attract financing and partnerships that support agrifood transformation and sustainable rural development.

The investment and interventions cases are indicated as national priorities by the governments of the countries that are members of the HIH Initiative. The investment cases address priority areas and gaps identified by the CCA in each country, such as food security, nutrition, climate change adaptation and mitigation, natural resource management, rural employment, gender equality, and governance. They enhance the resilience and sustainability of the agrifood systems and the livelihoods of the rural people, especially those who are most vulnerable and marginalized. This is aligned with the CCA's focus on leaving no one behind and addressing inequalities and discrimination. The interventions are analyzed based on evidence and data using geospatial, biophysical, and socio-economic data to identify territories where agrifood transformation and sustainable management of natural resources have the greatest potential for alleviating poverty and hunger. This is consistent with the CCA's approach of using data and analysis to inform strategic planning and programming. FAO through the HIH Initiative collaborates with other United Nations (UN) agencies and many partners to deliver coherent, integrated and effective support for sustainable development and climate action that promotes innovative approaches and solutions to address the challenges and opportunities of food system transformation. The HIH Initiative fosters partnerships and collaboration among various stakeholders, including governments, UN agencies, civil society, private sector and donors. This is in line with the CCA's principle of engaging with a wide range of partners to leverage strengths and comparative advantages.

Ultimately the HIH Initiative contributes to the common objective and priorities of Members and national processes and frameworks, to support countries on making progress towards the Sustainable Development Goals (SDGs), especially SDG 1 (eradicate poverty), 2 (zero hunger) and 10 (reduce inequalities), but also all other SDGs. Finally, the proposal in the Programme of Work and Budget

2024-25 is to allocate resources to the World Food Forum which includes the Youth Forum, the Science and Innovation Forum and the Hand-in-Hand Investment Forum.