



AGRICULTURE



CCO BRIEF
ON
AGRICULTURAL
COOPERATION

COMCEC COORDINATION OFFICE
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I. Introduction

Agriculture with its intrinsic nature plays a distinctive role in ever increasingly connected world economies. It is seen as an important engine of growth and unique source for poverty reduction in most of the developing world. Empirical studies demonstrate that agriculture is the most effective sector in generating income for the poorest segments of the population. Hence, it is accepted as a key sector for economic growth, reducing poverty and sustainable rural development especially in developing countries. In many member countries of the OIC, agriculture is one of the leading sectors in terms of income, employment and trade.

The global lockdown due to the pandemic of COVID-19 has deeply affected the agriculture and food systems, like other economic sectors, in almost all countries. It has obligated governments to take actions on travel, trade, tourism, imports, exports, and transportation to control and minimize the effects and spread of the outbreak. Thus, the pandemic quickly put serious strains on the food supply chains involving farmers, agricultural inputs, processing plants, shipping, retailers, and more resulting in an unforeseen pressure on food supply systems and food sustainability.

II. Agricultural Cooperation under the COMCEC

Increasing the productivity of agriculture sector and sustaining the food security in the OIC Member Countries is the strategic objective of the COMCEC Strategy. Considering the destructive impacts of the pandemic on the agriculture sector the COMCEC Agriculture Working Group has devoted its Meetings held in 2021 to discuss this important issue.

Within this framework, since the 36th COMCEC Session, the COMCEC Agriculture Working Group held its 16th and 17th Meetings focusing on the sustainability of the food supply chains during turbulent times like the COVID-19.

A. How to Ensure the Sustainability of the Food Supply Chains in Turbulent Times: COVID-19

(16th and 17th Meetings of the Agriculture Working Group)

The 16th and 17th Meetings of COMCEC Agriculture Working Group (AWG) were held virtually on May 27th, and October 12th 2021, respectively, with the same theme of “How to Ensure the Sustainability of Food Supply Chains in Turbulent Times: The Case of COVID-19”.

A research report on the aforementioned topic was prepared for two consecutive COMCEC AWG Meetings (16th and 17th). While the preliminary findings of the report was submitted to the 16th AWG Meeting, the final version of the report was submitted to the 17th AWG Meeting. The report assessed the current situation of food supply chains in the OIC member countries under the effects of COVID-19 and came up with some policy options for a more sustainable, responsible and efficient food supply management system to contribute to food security.

The research report highlighted that population growth, hunger, malnutrition were already significant problems even before COVID 19 in OIC. Knocking down the global economy the

pandemic added export restrictions, pushing 74 to 120 million more people to hunger trap, causing 451 million job losses in food systems, endangering the implementation of almost all SDGs, increasing the number of food crises to 55 per year and pumping wasting and stunting prevalence in children. In the report it was indicated that at the national level, 47.9% of the total population in OIC countries suffer food insecurity problems, quite higher than the world average of 25.4%.

The report also underlined that the COVID-19 has decreased both demand and supply of food and agriculture products owing to shocks on logistics and trade. Almost 70% of the OIC countries have intermediate-high to high levels of risks in terms of demand side transmissions. OIC members majorly rely on food imports and fiscally exports of raw commodities (e.g., oil) of which the prices have collapsed during the pandemic.

Main challenges on the issue were identified in the report as follows:

- Low disaster management capacity,
- Insufficient agricultural information infrastructure,
- Food supply systems mostly relying on food imports,
- Extreme climatic events such as droughts, floods, wildfires, hailstorms etc.,
- Swings in agricultural input prices,
- Jobs losses during the crisis periods.

During the 17th Meeting the participants discussed on the topic and considering the main findings of the research report elaborated on some policy options to contribute to the sustainability of food systems and supply chains. Thus, the Meeting came up with a set of policy recommendations to be submitted to the COMCEC Ministerial Session for adoption as below:

- Strengthening the food supply chains of the member countries by mobilizing the financial opportunities available within the OIC
- Reduction of Food Loss and Waste (FLW) through promoting climate smart agriculture and socially responsible practices by offering incentives to suppliers and consumers
- Protecting the most vulnerable groups through scaling up social protection and assistance programmes as well as food assistance
- Promoting international trade and logistics through temporarily reducing VAT for agricultural products, reducing customs on essential imports, addressing trade barriers, incentivizing e-commerce of agricultural products, and improving the smallholder farmers' access to the market
- Providing unemployment insurance to the labor force working in the food supply chain layers
- Preventing a new supply crisis in the face of a new food crisis by promoting primary production

All the documents and presentations made during the 16th and 17th Working Group Meetings as well as the above-mentioned research report are available on the COMCEC website. (www.comcec.org)

B. COMCEC Financial Support Instruments

COMCEC Project Funding

COMCEC Project Funding (CPF) is the other important instrument of the Strategy. Projects financed under the CPF need to serve multilateral cooperation and must be designed in accordance with the objectives and the expected outcomes defined by the Strategy in its agriculture section. Projects also play important roles in realization of the policy recommendations formulated by the member countries during the AWG meetings.

Under the 7th Call for Project Proposals made in September 2019, 5 projects were selected to be financed by the CCO in 2020. However, implementation of these projects postponed to 2021 due to international travel restrictions arising from the COVID 19 pandemic. Also, under the 8th Call for Project Proposals made in September 2020, one project was selected to be financed by the CCO in 2021. Hence, all the agriculture projects are expected to be finalized in 2021. The selected agriculture projects to be completed during the 2021 implementation year are as follows;

The project titled “Enhancing Capacity for Warehousing and Storage of Cereals and Cowpeas” is being implemented by Benin in partnership with Niger, Togo and Côte d'Ivoire. The project aims at increasing the awareness and knowledge of the stakeholders on good practices for warehousing and storage of grains in West Africa.

The second project titled “New Breeding Technologies for Food and Nutritional Security” is being implemented by COMSTEC in partnership with Egypt, Iraq, Jordan, Malaysia, Pakistan, Saudi Arabia and Turkey. The project aims at increasing public and private sector institution’s capacity on nutrition and food security through advanced breeding technologies.

The third agriculture project titled “Capacity Building on Cereals and Cowpeas Storage” is being implemented by Niger with the partnership of Benin, Côte d'Ivoire and Nigeria. This project aims at sharing knowledge and good practices on warehousing and storage of grains among the partner countries.

Other important project titled “Enhancing Food Security through National Food Balance Sheets” is being implemented by SESRIC in partnership with Bangladesh, Djibouti, Indonesia, Jordan, Oman, Palestine, Saudi Arabia, Senegal, Sudan, Suriname, Turkey and Uganda. Purpose of the project is promoting reliable and up-to-date data collection so as to ensure sound analysis of food security through increasing the capacity of the member countries on developing and preparing the annual food balance sheets.

Also, Surinam is implementing the project titled “Capacity Building on Irrigation Systems in Vegetable Crops” with the partnership of Indonesia and Turkey. This project aims to contribute to ensuring food security and food safety for the populations in the project partner countries by increasing capacity of the stakeholder on water management.

Fifth project titled “Contract Farming for Linking Small Farmers to Markets within OIC Member Countries” is being implemented by Islamic Republic of Iran with the partnership of

Turkey, Oman and Malaysia. The project aims at assessing key features, strengths and weaknesses of contract farming and sharing the relevant knowledge within the partner countries.

COMCEC COVID Response

Under the COMCEC COVID Response Program initiated by the CCO in order to assist member states in their efforts to alleviate the negative effects of the COVID-19 Pandemic on member country economies, 3 projects were selected to be financed by the CCO in 2021. Selected projects are as follows;

First project titled “Facilitating Poor, Vulnerable and Marginalized Groups’ Access to Food in West Java Province” is being implemented by Indonesia. Purpose of the project is assessing the current conditions of the vulnerable groups to further formulate policies for them to facilitate their access to food.

Turkey is implementing the second project titled “Acceleration of Transformation of Digitalization in Agriculture Sector for Ensuring Sustainable Food Security”. This project aims to determine a road map for adoption and dissemination of digital technologies by key actors in Turkish agricultural sector as well as to investigate the gaps, obstacles and challenges triggered by COVID-19.

Third agriculture project titled “Investigating the Effects of Covid-19 and Related Policies on Iranian Agricultural Sector” is being implemented by Islamic Republic of Iran. Purpose of the project is assessing the economic consequences of COVID-19 outbreak and particularly evaluating the performance of support packages provided by the government in agriculture sector.