



Advancing rural advisory services to promote market orientation in Jordan

Making rural services work for small-scale farmers

Policy brief

Executive summary

Rural advisory services play a crucial role in improving smallholders' livelihoods and reducing rural poverty by equipping farmers with the information, knowledge and skills needed to increase their productivity and profitability, to manage risks, and to engage effectively with markets. This entails diverse services that empower farmers to make informed decisions, manage their farms as sustainable businesses, and act collectively to improve economic operations. This wide range of rural advisory services that address agricultural productivity, as well as producers' organizational, management and marketing capacities, are recognized as market-oriented services. Such diverse services are often provided by multiple service providers from public, private and civil society organizations who engage in the delivery of services

in different forms and capacities. Recognizing and leveraging this plurality of service providers has the potential to enhance the quality of services and inclusivity of the service system, ensuring that effective services are accessible to small-scale farmers and responsive to their diverse needs.

This policy brief highlights key considerations and recommendations for strengthening rural advisory services in the Hashemite Kingdom of Jordan from a pluralistic and market-oriented system perspective. The brief draws on the insights garnered from an assessment carried out in 2021 by the Food and Agriculture Organization of the United Nations (FAO), in coordination with the Ministry of Agriculture in Jordan, as part of a broader regional study on advancing rural advisory services in Arab countries. The study contributes to regional processes aiming to leverage the role of extension and rural advisory services to better respond to the livelihood needs of small-scale producers and family farmers.

Background

The Hashemite Kingdom of Jordan is an upper-middle income country with an estimated population of around 11 million at the end of 2021 (Department of Statistics, 2021). Jordan's economy and society have faced significant shocks over the past few years. The conflicts in Syria and Iraq, the country's main trading partners, have seriously damaged Jordan's trade routes and capital inflows. The influx of refugees continues to pressure the country's infrastructure, social services, labour market, and social cohesion (Hashemite Kingdom of Jordan, n.d).

Along with the driving sectors of industry and services, the agriculture sector is a critical enabler of employment, rural development and food security, contributing to 6.2 percent of the national Gross Domestic Product (GDP) in the 4th Quarter of 2021 (Department of Statistics, 2022). Yet agriculture's contribution to GDP can reach up to 25 to 30 percent when indirect contributions of the food sector are considered. Furthermore, the agriculture and food sectors employ about 20 to 25 percent of the country's active population (World Bank, 2018).

The agriculture sector in Jordan is characterized by a relatively high number of small agricultural holdings, representing a key pillar of the country's agriculture and contributing to the livelihood of rural households. As of 2017, total agricultural holdings stand at about 107 700, of which over 88 percent are below three hectares in size. Agriculture constitutes the main source of income for more than 16 percent of farming families in Jordan (Department of Statistics, 2018).

Notably, the majority of agricultural labour falls within the informal sector, which includes refugees and a good portion of poor and marginalized segments of the population. While women formally represent 4.36 percent of all those employed in agriculture, forestry and fishing (FAO, 2019), a larger portion of women also work informally (UN Women, 2018). Considering the relatively high poverty rates in rural areas - at 17 percent compared to the national average of 14.4 percent - and the sector's potential for employment, agricultural growth could be a key driver for poverty reduction in Jordan (World Bank, 2018).

The agricultural sector is faced with environmental, social, economic, market-related, institutional, and regulatory challenges that call for attuned policy responses for the development and transformation of the sector. Challenges specific to small-scale farmers include: limited skills and resources to adopt new agricultural techniques; high debt; land fragmentation; weak access to markets; and declining exports and markets in neighbouring countries due to political instability. A contributing problem in this respect is the limited availability of extension and rural advisory services responsive to farmers' diverse needs in terms of productivity, profitability and livelihood. The absence of an information system to acquaint producers with the demand and supply of agricultural produce, or the price of farm products to improve their bargaining power in the value chain, or the potential to auction products in digital or wholesale markets, is an additional challenge. Such conditions increase the sector's vulnerability to externalities, diminishing productivity and hence profit. Relevant social challenges include the low or limited engagement of Jordanian youth in agricultural activities, especially in rural areas. This is often attributed to low profitability and the prevailing cultural norms and traditions that consider farming as a laborious, blue-collar job compared to white-collar jobs typically associated with higher education and prestigious social status.

Smallholder farmers occupy the lowest end of the chain as providers of primary agricultural products, where the least value is added and captured, largely due to information and power asymmetry and weak capacity for collective bargaining and market access. With their limited assets, low productivity and weak capacity, smallscale farmers face further constraints in their ability to access financial services, as their economic activities are often perceived as high-risk and hard to track.

Considering the challenges mentioned above and the significance of small-scale family farming in Jordan, adequate provision of, and access to, extension and rural advisory services is crucial. Rural advisory services can play a key role in improving smallholders' livelihoods and reducing rural poverty by equipping farmers with the information, knowledge and skills needed to increase their productivity and profitability, to manage risks, and to engage effectively with markets. This entails diverse



© FAO/Roberto Fajdutti

services that empower farmers to make informed decisions, to manage their farms as sustainable businesses, and to act collectively to improve economic operations.

The wide range of rural advisory services that address agricultural productivity, producers' organizational and management capacities, and links to input and output markets, are recognized as market-oriented services (FAO, 2017). Given the broad scope of services and the heterogeneity of farmers they cater for, multiple service providers from public, private and civil society organizations often engage in the delivery of services in different forms and capacities. Recognizing and leveraging this plurality of service providers has the potential to enhance the quality of services and inclusivity of the service system, ensuring that effective services are accessible to small-scale farmers and responsive to their diverse needs.

This policy brief highlights key considerations and recommendations for strengthening rural advisory services in Jordan from a pluralistic and market-oriented system perspective.¹ The brief draws on the insights garnered from an assessment carried out by FAO in synergy with the Ministry of Agriculture in Jordan, as part of a broader regional study on

advancing rural advisory services in Arab countries. The study contributes to regional processes aiming to leverage the role of extension and rural advisory services in better responding to the livelihood needs of small-scale producers and family farmers.

The study was conducted in line with FAO's framework for pluralistic and market-oriented systems (FAO, 2017) and related guidelines for analysis and programming (FAO, forthcoming). It reviewed the main policies and broader contextual factors affecting the access to and provision of rural advisory services, explored the main challenges affecting small-scale and family farmers engaged in the horticulture sector focusing on selected areas in Jordan, namely the Irbid and Jordan Valley governorates. It probed the complexity of the service system, looking at the experiences of a number of service providers from the public sector, the private sector, the civil society, producer organizations and cooperatives, considering aspects related to inclusive outreach, service relevance, coordination, funding and capacities. Two stakeholder consultations were organized to engage with key actors and seek their insights and feedback at various stages of the study (FAO, internal document).

¹ A pluralistic service system is one where services are provided by different actors (public, private, NGOs, POs and cooperatives including informal providers) and funded from different sources.

Rural advisory services in Jordan

Rural advisory services in Jordan are provided by a variety of actors that can be classified as public institutions (governmental), non-governmental organizations (NGOs), the private sector, and producer organizations (POs) and cooperatives. The range of advisory services provided by these different actors are intended to help farmers access information on technologies, markets, inputs, and finance, and to help upgrade their farming and managerial skills.

The Extension Department of the Ministry of Agriculture (MoA) is the primary service provider, being the most accessible and frequently utilised source of advisory services for smallholders. Other public institutions providing services include the Ministry of Water and Irrigation (MWI), the Water Authority of Jordan (WAJ), The National Agricultural Research Center (NARC), the Jordan Valley Authority, faculties of agriculture at public universities, and the National Research Centre. In addition, the private sector is relatively active in extension activities but mainly oriented towards sales promotion and input intensive users. Civil society and NGOs also provide advisory services mainly concentrating on water, the environment, and gender issues.

Despite its central role, the public extension service faces several challenges, not least a shortage of staff. As of July 2021, the MoA had only 118 extension workers serving across the national territory. This limitation hinders the Ministry's ability to deliver broad-based services with the needed quantity and quality. The lack of subject matter specialists and the narrow focus on crop production and plant protection further constrain the ability of public extension to provide the range of advisory services that effectively address the diverse challenges facing smallholders. While the National Strategy for Agricultural Development 2020-2025 defines the digitalization of extension services as one of its priorities, the lack of proper Information and Communication Technology (ICT) platforms and the limited use of modern means of communication to deliver extension and rural advisory services remain limiting factors.

From a policy perspective, the government's focus and efforts are directed towards poverty alleviation, food security, and social stability. The absence of a national extension and rural advisory services policy and/or dedicated strategy and investments undermines the sector's contributions towards these prominent goals. Notably, the share of the public budget allocated to rural advisory services has been decreasing over time, resulting in reduced public service coverage and weakened extension and research programmes. While projects funded through international cooperation (e.g. EU, FAO, IFAD, USAID) support the development of the sector, these are constrained by factors of project timeframe, scalability, sustainability and bureaucracy.

Limited public funding and lack of dedicated extension policies restrain the sector's ability to pursue market-oriented strategies and inclusive economic development in rural areas. Furthermore, there is no clear institutional framework to regulate the work done by the various service providers, to foster coordination and concrete public-private sector collaboration in service provision relevant to smallholders. As such, advisory services appear fragmented, weakly regulated and lack coordination between the different actors. This undermines the opportunity to leverage the capacities of different actors and the ability to capitalize on complementarities that would favour more inclusive targeting and accessibility for small-scale farmers, particularly the most vulnerable.

The unregulated agricultural sector and often non-registered small farmers limit the ability to set effective service systems that ensure inclusive outreach, adequately considering the heterogeneity of farmers across gender, age, education and resource endowment. Although the MoA has developed a registry for livestock owners, farmers perceive registration as a risk to their business, given the high income taxes entailed and the lack of a clear incentive system. Additionally, the public extension service has a basic monitoring and evaluation system limited to evaluating trainee feedback upon completion of training programmes. This undermines the ability to track performance and measure the impact of services on different population groups to improve responsiveness and inclusivity of the service system.

Despite their high representation among agricultural

graduates and staff of the public extension department, women's participation as clients and providers of extension and rural advisory services is still limited. Youth are generally not attracted to agricultural and rural work, given the absence of secure employment conditions, poor rural infrastructure and services, and limited access to desired information and training opportunities. In general, small-scale farmers perceive a shortage of extension and rural advisory services that enable them to deal with various challenges related to productivity, high production costs and access to markets. Key challenges affecting small-scale farmers include:

- marketing problems and broker control of product prices;
- lack of access to external markets;
- high cost of farm labour and production inputs (fertilizers and pesticides);
- lack of employment and alternative income; and
- water shortage and quality.

Notably, small-scale farmers have limited access to post-harvest handling techniques such as grading, packaging, and cold storage facilities. They are often obliged to sell their produce through mediators at lower prices, whilst large-scale farmers can secure transactions directly to wholesale markets, exporters, or foreign importers. The lack of information systems providing data on supply/demand, pricing, and the potential to auction products in digital or wholesale markets is a further limitation. Additionally, small-scale farmers' capacity to manage their farm business operations is often constrained by their lack of basic business concepts, accounting skills and bookkeeping records. For instance, farmers mostly mix farming costs with household expenditures, making it difficult to make proper financial calculations, mitigate risks and plan for running their farms as profitable businesses.

Furthermore, small farmers usually buy all farming inputs (seeding, mulching, fertilizers, water pipes, etc.) at higher prices from agricultural shops that allow them to defer payments to harvest time. However, they often suffer losses from overproduction/low prices or poor harvest/plant diseases, affecting their ability to pay back the debt. As a result of such market malfunctions, small farmers often find themselves trapped in precarious

cycles of debt and continuous financial losses, and resort to commercial banks or the Agricultural Credit Corporation for credit. However, Jordanian farmers' access to finance is still limited, constituting a critical challenge to sector growth. In particular, farmer cooperatives have struggled to manage the financial burdens associated with sectorial activities, limiting their ability to promote cooperation and achieve economies of scale in key sub-sectors. The Jordan Cooperatives Corporation (JCC) and farmers' unions are yet to reach their potential in improving employment conditions and helping maximize sectoral efficiency, productivity, and their bargaining power in the value chain to increase profitability.

To address the above challenges, broadening the scope of extension and rural advisory services is needed to expand the current focus on plant production and protection, to promote market orientation and farming as a business. In transitioning from a production-focused extension system to a more market-oriented one, a national vision for extension and rural advisory services needs to be defined with clear priorities and targeting. Effective delivery of services requires improved coordination and linkages within a well-regulated pluralistic, multi-stakeholder system. One main challenge is the demand for new capacities and skills for extensionists to meet farmers' demands and take on new roles. Apart from their technical capacities in agriculture and natural resource management, extension and rural advisory services providers need diverse skills to support market orientation and farm-business management, combined with improved facilitation and communication skills and gender- and age-sensitive approaches. To this end, leveraging the comparative advantage of different providers in carrying out specific and complementary services will be of critical importance.

Notwithstanding the diversified skills and competencies brought in by service providers from the public/private sectors and NGOs, additional capacities are needed to improve services and better address smallholders' challenges, while tackling issues of equality, inclusivity and sustainability. This calls for investments in comprehensive capacity development programmes for value chain approaches, market-oriented advice, group and organizational development, agribusiness, and digital solutions to share and access information at scale.

Going forward

Extension and rural advisory services play a central role in empowering farmers with the knowledge and skills to overcome various production, management and marketing constraints that affect their productivity, profitability and livelihood. Addressing challenges facing the agricultural sector and achieving inclusive growth in rural areas therefore calls for ensuring effective rural services that are responsive to the needs of all women and men farmers, especially small-scale ones and the most vulnerable. To this end, the following recommendations are proposed for advancing rural advisory services in Jordan to play a conducive role in agrifood systems and rural transformation:

- 1. Develop a national policy for extension and rural advisory services.** Particular attention is needed to the design of a national policy and strategy that articulate the strategic vision and directions for advancing the sector; define the role of the public sector and other service providers; and leverage existing synergies and complementarities in the provision of services, within a coordinated system.
- 2. Mobilize public funding and investments to reinforce the extension and rural advisory service system.** There is a need to increase investments to upgrade the extension and advisory service system with adequate staffing, operational funding, and resources for public-private-POs partnerships for improved service outreach (coverage and scope) in response to farmers' needs and demands. Investments are also due in improving the rural infrastructure needed to enhance farmers' access to markets (e.g. storage, transportation, processing, labelling, and packaging).
- 3. Invest in human capital for effective rural advisory services, fostering new capacities and skills of existing and future service providers and farmers (service users).** New capacities and skills are needed to broaden the scope of advisory services and carry out new roles, while nurturing inclusivity and empowerment. This requires comprehensive in-service training of existing

staff as well as updated curricula of vocational and higher agricultural education for the new generations of extensionists and rural advisors. Promoting women and youth enrolment in relevant education programmes and enabling them to become effective advisors and extension agents in public service, private sector and civil society is recommended.

- 4. Make agricultural services gender-sensitive and contribute to removing obstacles to women's access.** This can be achieved through, for example, providing childcare, having opening hours that are compatible with rural women's unpaid care work, or ensuring that women are well represented within government services.
- 5. Design and implement targeted measures to create income-generating opportunities for rural women** in their localities, and to address negative traditional practices that undermine rural women's right and access to agricultural land and other property.
- 6. Institutionalize coordination mechanisms and partnerships for cross-sectoral and multi-stakeholder collaboration for improved service provision.** It is recommended that the government takes the lead in creating conducive institutional settings for coordinating and regulating a healthy pluralistic service system, where stakeholders collaborate based on a common vision and leverage complementarities to capitalize on existing resources and capacities. In this respect, strengthening the role of farmers' collectives, producer organizations, cooperatives, and women and youth organizations in service provision would serve to amplify farmers' voice while improving service coordination and outreach.
- 7. Devise innovative digital solutions to harness the power of ICTs for increased service outreach and efficiency.** An effective information system and integrated digital and mobile solutions can help overcome a number of challenges to make information and services widely accessible to farmers, including technical and market advice, weather information, farm holdings registrations, enterprise licensing, certification, and archiving,

through a centralized digital platform. Web-based platforms can also facilitate institutional linkages, access to learning and knowledge resources, and exchange of information among providers within a RAS community of practice. Due consideration should be given to issues of inclusivity and access, considering digital literacy and technology barriers for a large number of farmers who lack access to or are unfamiliar with digital technologies.

8. Design inclusive extension and RAS programmes to enhance outreach and relevance of services to all smallholders, with due attention to women, youth and vulnerable producers.

Ensuring inclusivity and increasing responsiveness of the service system calls for applying gender and age-sensitive approaches in all stages of programme design, implementation, appraisal and impact evaluation. Targeting women within the farming household (not only the male co-head) in the provision of advisory services is key to different domains of empowerment. While fostering business and market orientation, innovation and digital technologies can contribute to creating employment opportunities and nurture youth engagement in agriculture and their attraction to the sector.

9. Establish monitoring, evaluation and learning processes at the system level.

Instating an integrated system with clear indicators for tracking performance and measuring results and impact is fundamental for advancing the quality, effectiveness and inclusivity of the service system. Creating feedback channels and grievance mechanisms within a pluralistic system would enhance accountability and responsiveness in the provision of services, foster trust between service users and providers and safeguard the interests of smallholders and vulnerable producers.



References

- Department of Statistics.** 2018. Agricultural Census 2017. Jordan. <http://dosweb.dos.gov.jo/products/agricultural-census2017/>
- Department of Statistics.** 2021. Statistical YearBook of Jordan 2021. Jordan. http://dosweb.dos.gov.jo/DataBank/Population_Estimares/PopulationEstimates.pdf
- Department of Statistics.** 2022. PRESS/4th Q, Date/ 4. Apr.2022. Jordan. http://dos.gov.jo/dos_home_e/main/archive/GDP/2021/Q4_2021.pdf
- FAO.** 2017. Pluralistic Service Systems: Market-oriented services for reducing rural poverty - conceptual framework. Rome, FAO.<https://www.fao.org/3/i7249e/i7249e.pdf>
- FAO.** 2019. FAO STAT – Database, Share of females in total employment in agriculture, forestry and fishing. Accessed on the 1st of June. <https://www.fao.org/faostat/en/#data/OEA>
- FAO.** (forthcoming). Pluralistic and Market- Oriented Services- Conceptual and Methodological Guidelines for Analysis and Programming. Rome.
- FAO.** (internal document). Assessment of market-oriented rural advisory services: the case of Jordan. Rome.
- The Hashemite Kingdom of Jordan.** n.d., Turning the Corner: Jordan's path to growth. Hashemite Kingdom of Jordan. The Hashemite Kingdom of Jordan. https://www.mop.gov.jo/ebv4.0/root_storage/en/eb_list_page/reform_matrixturningcorneren28feb2019-1.pdf
- UN Women.** 2018. Women's Participation in the Agricultural Sector, Rural Institutions and Community Life. Jordan. <https://reliefweb.int/report/jordan/womens-participation-agricultural-sector-rural-institutions-and-community-life#:~:text=Sixteen%20percent%20of%20women%20who,looking%20after%20the%20family%20plot.>
- World Bank.** 2018. The Role of Food and Agriculture for Job Creation and Poverty Reduction in Jordan and Lebanon: Agricultural sector note Washington, DC. <https://documents1.worldbank.org/curated/en/325551536597194695/pdf/Agricultural-Sector-Note-Jordan-and-Lebanon.pdf>
- World Bank/FAO/IFAD/WFP.** 2021. Jordan Food Security Update Implications of COVID-19. <https://www.fao.org/3/cb2539en/CB2539EN.pdf>



© FAO/Lucie Chocholata

ACKNOWLEDGEMENTS

This brief was prepared by May Hani, Valentina Sommacal and Masa Awad (FAO), based on a study conducted by Samia Akroush and Alaa Wahbeh as part of a FAO regional study on advancing rural advisory services in Arab countries, carried out in Egypt, Jordan and Lebanon. Amal Shawish edited the document and Angham Abdelmageed elaborated the design. FAO Regional Office for the Near East funded the study and provided overall guidance under the leadership of Jean-Marc Faurès.

FAO Regional Office for the Near East and North Africa
FAO-RNE@fao.org
<https://www.fao.org/neareast/about/en/>

Food and Agriculture Organization of the United Nations
Cairo, Egypt

