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Update on the One Country One Priority Product (OCOP) Initiative

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EXECUTIVE SUMMARY

- This document presents an update on FAO's One Country One Priority Product (OCOP) initiative to the 137th Session of the Programme Committee. It provides background information on the OCOP, an overview of its key components, its implementation progress, and the way forward.
- Between March and July 2022, the OCOP initiative was officially launched in all FAO Regions: Africa (RAF), Asia and the Pacific (RAP), Latin America and the Caribbean (RLC), Near East and North Africa (RNE), and Europe and Central Asia (REU).
- Currently, over 80 countries from all five FAO Regions have officially submitted applications to promote the sustainable development of value chains of over 50 Special Agricultural Products (SAPs). The priorities for the initial implementation phase included defining the SAPs, the OCOP demonstration and potential project countries¹, and establishing regional and national coordination mechanisms.
- The first global OCOP project, funded through the FAO Flexible Voluntary Contribution (FVC) with a budget of USD 500 000, started in October 2022 in Bangladesh, Egypt, Malawi, Trinidad and Tobago and Uzbekistan – the five countries identified as demonstration project countries – to promote the value chains of jackfruit, date palm, banana, cocoa and sweet cherry, respectively. Five Regional Launch Events and Workshops on the implementation of these OCOP Country Projects were held from May to September 2023 in the demonstration countries, to build on progress made and maximize the potential of the OCOP initiative.
- As of September 2023, the total funding allocated for the implementation of the OCOP initiative has reached USD 6.5 million, which is supporting the engagement of over 40 countries across all regions. An additional USD 5 million pledged by the Government of the People's Republic of China will provide significant additional support, with beneficiary countries yet to be selected or funding allocated.
- Technical and financial synergies have also been established with ongoing FAO field projects to build upon complementarities. Partnerships with the wider United Nations system have also been created, and communication and advocacy activities to promote the OCOP initiative at the national, regional and global levels have been undertaken.

GUIDANCE SOUGHT FROM THE PROGRAMME COMMITTEE

- > The Programme Committee is invited to:
 - note the mid-term progress of the OCOP initiative in the context of the first phase of its implementation, and acknowledge the achievements made in the five demonstration countries as well as the potential for replicating and scaling up these results in additional project countries; and
 - note the proposed next phases of implementation of the OCOP initiative through further promotion and expansion of its scope, increased support to potential project countries, and strengthened resource mobilization, partnerships and communication at global, regional and national levels.

¹ Demonstration project countries are countries that have been identified to showcase the implementation of the OCOP country projects and facilitate the subsequent implementation of the OCOP in other project countries. Potential project countries are countries that have shown their strong interest and officially submitted an application to request support for a specific SAP. See OCOP website: <u>https://www.fao.org/one-country-one-priority-product/resources/faq/en.</u>

I. Background

1. Agricultural production systems (crop, livestock, forestry, aquaculture and fisheries) play an essential role in meeting the increasing demands for food, feed, fiber and fuel. Their productivity is affected by natural resource constraints, environmental pollution, ecological degradation and climate change. These production systems still rely on the intensive use of chemical inputs, and lack integration, optimization, diversification and innovation.

2. The reliance of 75 percent of the world's food on only 12 plant and five animal species underlines the need to identify and tap into the potential of neglected or underutilized plant and animal species. These species have been, at times, overlooked by research and extension services and policymakers, and are rarely allocated resources for their promotion and development. Neglected or underutilized crops and animals are important for food security and nutrition and can improve livelihoods at scale.

3. FAO has developed the One Country One Priority Product (hereafter "OCOP") initiative to support more sustainable food value chains of Special Agricultural Products (SAPs), increase access to healthy diets, improve farmers' livelihoods and economic growth, while minimizing the use of chemical inputs and natural resources, reducing food loss and waste, as well as minimizing negative impacts on the environment.

4. The SAPs have unique qualities and special characteristics that are associated with economic value, geographical location, farming practices and cultural heritage. Compared to staple food crops, SAPs have not yet fully benefited from agricultural and rural development programmes. SAPs include all kinds of agricultural products with the potential of being utilized and promoted in local, national, regional and global markets. Therefore, the OCOP helps countries leverage their unique potential by identifying relevant SAPs and ensuring improved access to stable markets, opportunities to improve farmers' livelihoods, and entry points for reaching their defined country priorities.

II. Main elements of the OCOP

5. The OCOP aims to promote sustainable agrifood systems, from production to distribution, and create market opportunities for smallholders, family farmers and entrepreneurs through the development and integration of more efficient, inclusive, resilient and sustainable value chains of SAPs.

6. It is a country-led and country-owned initiative, and FAO Members are encouraged to join and submit proposals based on their own demands, priorities and comparative advantages.

7. It acts as a vehicle to coordinate financial, technical and human resources to address the identified challenges, and it supports farmers, as well as associated actors, all along the value chain.

8. The main OCOP outputs include establishing technical networks for innovation and transformation, disseminating technologies to support sustainable management, formulating and applying policies, strategies and standards as enabling tools, and establishing effective market access platforms and efficient coordination mechanisms at the global, regional and country levels.

III. Progress on implementation of the OCOP

9. The OCOP was launched on 7 September 2021 by the Director-General of FAO, with the virtual participation of nearly 1000 attendees from over 150 countries.

10. The OCOP Secretariat, hosted within the Plant Production and Protection Division (NSP), has been set up to carry out daily implementation activities, in close collaboration with focal points from the relevant FAO divisions/units and Regional and Country Offices.

11. Between March and July 2022, the OCOP was launched in all FAO Regions.

12. The OCOP Country Projects² were launched on 3 November 2022 during the first-ever FAO Global Conference on Sustainable Plant Production.

13. Comprehensive updates on the OCOP were provided to FAO Members during an informal briefing held on 29 September 2022, at the 134th Session of the Programme Committee, and at the 171st Session of the Council (with an information document)³.

14. As of September 2023, 83 Members across all five FAO Regions have committed to promoting the sustainable development of 53 SAPs, and all have been recognized as potential OCOP project countries.

15. Five countries were identified as the first-round demonstration countries to lead the implementation of the OCOP. These include country-level activities – funded by the FAO Flexible Voluntary Contribution (FVC) with a budget of USD 500 000 – which are being implemented in Bangladesh, Egypt, Malawi, Trinidad and Tobago and Uzbekistan to promote jackfruit, date palm, banana, cocoa and sweet cherry, respectively.

16. Since March 2023, Regional Organizing Groups for the implementation of the OCOP have been established in Africa (RAF), Asia and the Pacific (RAP), Latin America and the Caribbean (RLC), and Near East and North Africa (RNE) and are chaired by the respective FAO Assistant Director-General/Regional Representative (ADG/RR).

17. Since May 2023, all five demonstration countries have established National Task Forces, and Regional Launch Events and Workshops on the Implementation of OCOP Country Projects have been successfully held.

Case Study: OCOP support for the Banana Value Chain development in Malawi

- a) Malawi was selected as one of the first five OCOP demonstration project countries in November 2022, supported by the FAO Flexible Voluntary Contribution (FVC).
- b) Since then, the OCOP Secretariat, hosted by FAO, conducted a series of trainings on sustainable banana value chains and carried out technical consultations to support the implementation of OCOP in Malawi.
- c) Lead banana experts from the Department of Crop Development of the Ministry of Agriculture of Malawi, the University of Lilongwe and the Chinese Academy of Tropical Agricultural Sciences (CATAS) established close cooperation to support the OCOP initiative. The growing collaboration between different actors further aims at improving farmers' livelihoods, empowering farmers (in particular women and youth), contributing to improve food security and developing local agrifood systems.
- d) Within this framework, FAO is supporting the Ministry of Agriculture to carry out the assessment of the banana value chain and develop a National Banana Sector Development Plan. The value chain analysis survey has been conducted with the use of digital tools and covered three regions in Malawi, focusing on different value chain actors – from farmers to exporters.
- e) To contribute to the revamp of the banana industry, particularly given the recent impact of the banana bunchy top virus (BBTV) outbreak which devastated the crop in Malawi, FAO is providing support to strengthen technical capacity of researchers, agriculture and extension specialists, farmers and agribusinesses; demonstrate, validate and disseminate sustainable value chain technologies; develop the processing industry and enhance access to markets; and formulate relevant national policies, regulations, standards and procedures to enable a conducive environment.
- f) In addition to the FVC project, the contribution of various FAO projects supporting OCOP-related activities in Malawi is valued at over USD 4 million.
- g) Lessons and experiences gained in Malawi will be shared and applied in other OCOP project countries.

18. The funding allocated for the launch and implementation of the OCOP currently totals over USD 6.5 million, including:

a) a project funded by the Government of Japan, with a budget of USD 600 000, to support soybean development in Ghana;

² <u>https://www.fao.org/newsroom/detail/fao-s-global-action-on-one-country-one-priority-product-(ocop)-country-projects-launched/en?asd</u>

³ <u>https://www.fao.org/3/nk513en/nk513en.pdf</u>

- b) the FVC contribution of USD 500 000 to the five initial demonstration countries;
- c) three regional and 14 national TCP projects are under implementation to support the promotion of the OCOP in the pilot project countries, with a total budget of over USD 4 million. These OCOP projects comply with the TCP criteria as they align with national priorities and FAO's mandate, address a critical gap, ensure sustainable impact, and build government commitment. This initial TCP support is expected to act as catalytic funding in the OCOP project countries.
- d) Funding from the FAO Regular Programme to support the initial phase of the OCOP was provided during the period 2021-23, through resources allocated for the implementation of the PPA BP1, and the related VAIA, as well as from the Multi-Disciplinary Fund (MDF), totaling over USD 1.5 million.

19. With the above resources, FAO engages and supports the following 43 countries in five regions:

- a) Africa (11): Benin, the Central African Republic, Eswatini, Ethiopia, Ghana, Guinea-Bissau, Lesotho, Malawi, the Congo, Togo and Zimbabwe.
- b) Asia and the Pacific (5): Bangladesh, Bhutan, Cambodia, Nepal and Papua New Guinea.
- c) Europe and Central Asia (9): Albania, Armenia, Georgia, Kyrgyzstan, the Republic of Moldova, Serbia, Türkiye, Uzbekistan and Tajikistan.
- d) Latin America and the Caribbean (11): Argentina, Brazil, Chile, Costa Rica, Cuba, Ecuador, Guatemala, Nicaragua, Panama, Trinidad and Tobago, and the Bolivarian Republic of Venezuela.
- e) Near East and North Africa (7): Egypt, Jordan, Lebanon, Morocco, the Syrian Arab Republic, Tunisia and Yemen.

20. FAO provides diversified support to these countries, tailored to needs, which includes OCOP workshops, enhanced collaboration between national governments, technical experts, the private sector, farmers, development and resource partners, and other key stakeholders.

21. These events also underscored the great potential of the OCOP initiative in supporting dryland, tropical and mountainous areas, Small Island Developing States (SIDS), and in acting as a catalyst for transformation.

22. In-kind contributions were also provided through the FAO Young Professional and Carlo Schmid/Deutscher Akademischer Austauschdienst (DAAD) Programmes, with one Young Professional Officer and one intern on board to support the OCOP Secretariat.

23. Partnerships have been established with the United Nations Industrial Development Organization (UNIDO) and the United Nations Office on Drugs and Crime (UNODC). The OCOP is one of the initiatives contributing to the areas of collaboration of the Memorandum of Understanding (MoU) between FAO and UNIDO, and UNODC has considered the inclusion of the OCOP under its Alternative Development Programme which aims at reducing the dependency of small-scale and family farms on drug crop cultivation by offering alternative crops for sustainable development. CATAS and the Chinese Academy of Agricultural Sciences (CAAS), who had previously signed a MoU with FAO, are supporting OCOP projects by conducting surveys and situation analysis of value chains of selected SAPs, and related training. A three-day training was conducted in November 2022 on the sustainable development of tropical SAPs in collaboration with CATAS. Synergies are also being established between the OCOP and the Hand-in-Hand (HIH) Initiative. From the 83 countries expressing interest in OCOP, 38 of them participate in the HIH Initiative.

24. An efficient communication and advocacy mechanism has been established for the promotion of OCOP at the national, regional and global levels including: OCOP visual identity and logo; Global Action Plan; OCOP global website⁴; quarterly OCOP Newsletters; and Regional Knowledge Platform

⁴ OCOP website: <u>www.fao.org/one-country-one-priority-product</u>

and OCOP related websites. Additionally, a series of OCOP webinars and trainings on sustainable development of SAPs and value chain analysis have been organized.

25. In addition to currently allocated funding, USD 5 million has been pledged by the Government of the People's Republic of China to support the OCOP through the FAO-China South-South Cooperation Programme, with beneficiary countries yet to be selected and funding allocated.

IV. The way forward

26. Following the launch of the OCOP at the global and regional levels, the following next steps are envisaged:

- i. continue to support the development of OCOP concept notes and three-year workplans for each project country and select implementation locations (sites) within the country;
- ii. strengthen the mobilization of financial, technical and human resources at the global, regional and national levels to support the OCOP, and engage a wide range of stakeholders to support activities at country and field levels;
- iii. continue to establish working mechanisms within FAO and with relevant national institutions to monitor and facilitate the implementation of OCOP projects, building on the close collaboration among FAO technical divisions and units, Regional, Subregional and Country Offices;
- iv. complete the establishment of the network of the National Focal Points for each project country, including one representative from the FAO Country Office, one from the national government, and one lead expert on SAP from a local technical institution. The National Focal Points are responsible for coordinating the implementation of the OCOP in the country and communicating with Regional Focal Points and the OCOP Secretariat at FAO headquarters;
- v. set up National Task Forces in all OCOP project countries, with a similar composition to the demonstration countries;
- vi. increase awareness, and share knowledge and information on the achievements and impact of the OCOP through active communication and outreach. Encourage active engagement by FAO Members and other stakeholders in OCOP activities, i.e. meetings, trainings, field events, etc; and
- vii. select additional OCOP project countries across all FAO Regions, based on the demand, comparative advantages, national and regional priorities, strategies, programmes, availability of financial resources and other parameters.