

Hand-in-Hand: Investment opportunity profiles



Hand-in-Hand marks FAO's renewed desire to promote market-based transformation of agrifood systems.
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Hand-in-Hand is a flagship FAO initiative that provides the support and data needed to enable governments, the private sector and multilateral development banks and other donors to more precisely target agricultural investments for resilient, sustainable and productive agrifood systems. It prioritizes countries and territories where poverty and hunger are highest, national capacities are limited, or operational difficulties are greatest due to natural or human crises.

Hand-in-Hand currently supports 52 countries across Africa, Asia and the Pacific, and Latin America and the Caribbean. It is also facilitating partnerships and investments for regional initiatives, including in the Sahel and the Central American Dry Corridor. Here you can explore some of the investment opportunities Hand-in-Hand has helped identify as part of its aim to support market-based transformation of agrifood systems.

Africa

Ethiopia

The Government of Ethiopia is developing Integrated Agro-Industrial Parks to drive structural change of the country's economy – including the modernization of its agricultural sector – by strengthening the links between agriculture and industry, fostering improved production and productivity, and increasing the commercialization of strategic agricultural commodities. As part of this drive, Agro-Commodity Procurement Zones are being established to supply the parks. Hand-in-Hand is supporting investments in two procurement zones in Bulbula and Yirgalem, both identified as areas with strong potential to increase Ethiopia's agricultural productivity, commercialization, exports and import substitution. Specific interventions include establishing organic fertilizer plants to boost wheat production, distributing milk collection equipment to smallholder dairy farmers and training coffee farmers on best practices. Internal rates of return for the investments sought range from 25 percent to 35 percent.

Mali

Hand-in-Hand is facilitating investments to improve the productivity and resilience of target production systems and strengthen the governance of agricultural hubs in Mali. Interventions in the Koulikoro and Kayes regions aim to increase the production of climate-resilient organic tomatoes, improve the management of onion production, and train livestock farmers in cattle fattening and health monitoring. The total estimated investment required is USD 65.9 million,

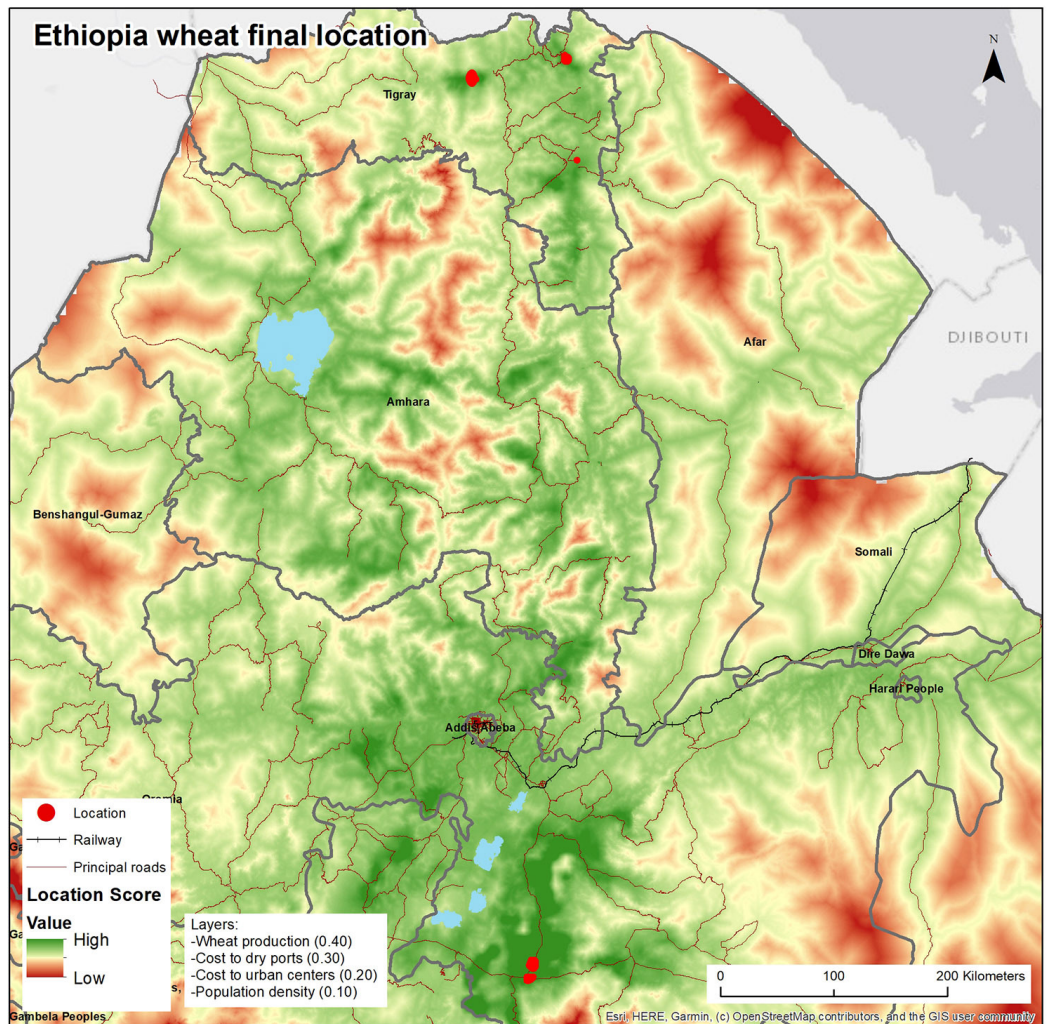
with internal rates of return ranging from 25.6 percent to 45.0 percent. This investment will help an estimated 6700 people – including 4275 women – build resilience against recurrent climate threats, locust invasions and zoonotic diseases, as well as reduce poverty and hunger.

Niger

In line with the Government of Niger’s decision to transform the country’s agricultural sector through the development of agricultural hubs, Hand-in-Hand is supporting investments in the country’s southwestern Tahoua and Dosso regions. These investments will target poverty reduction, food security and nutrition through a variety of government-led projects, including the construction of climate-resilient irrigated and non-irrigated production systems, the establishment of effective agrifood companies led by women and young people, and the strengthening of institutions to support innovation and inclusive territorial planning. For example, a USD 60.3 million investment in Niger’s organic onion farming is predicted to increase production by up to 66 percent, benefiting 11 000 households – two fifths of which are headed by young people – while delivering an internal rate of return of 41 percent.



Hand-in-Hand aims to remove the barriers to agricultural investment in low-income, low-capacity countries. ©FAO/Asim Hafeez.



This map of Ethiopia shows how Hand-in-Hand’s extensive data layers – including transport links, agricultural productivity and population density – are used to pinpoint locations where agricultural investments have the greatest potential to reduce poverty and hunger.

Sources: GLW, MapSpam, OSM, WorldPop, GADM.

Asia and the Pacific

Lao People's Democratic Republic

Hand-in-Hand is helping facilitate initiatives along the China-Lao Railway to support the government's aims of expanding agricultural production, improving nutrition and securing access to domestic, regional and international markets. Investments totalling USD 241 million are sought to boost livestock production through climate-resilient value chains and improved breeding, improve export logistics infrastructure and processing technologies for tea, and support cassava production through improved primary and secondary processing, among other initiatives. These investments are expected to benefit up to 450 000 people and deliver internal rates of return ranging from 15 percent to 25 percent.

Solomon Islands

The Government of the Solomon Islands' 10-year agricultural development and investment plan, launched in 2021, seeks to create a sustainable, resilient, competitive and profitable agricultural sector that enhances economic growth, food sovereignty and prosperity for all Solomon Islanders. As part of this plan, Hand-in-Hand is supporting investments totalling USD 15.2 million to promote poultry production in Western Province, Malaita Province and the Capital Territory. This will support the establishment of new farms, feed mills and processing facilities, secure the technical assistance needed to strengthen domestic value chains, and help develop state veterinarian livestock extension services. Hand-in-Hand is also facilitating a USD 25.3 million investment to support the Solomon Islands' coconut value chains by rehabilitating coconut plantations, constructing drying and oil extraction units, and supporting product diversification, among other interventions. Taken together, these investments will benefit 6880 people directly and a further 36 500 indirectly. Internal rates of return range from 14 percent to 34 percent.



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Latin America and the Caribbean

Ecuador

Hand-in-Hand is helping facilitate the Government of Ecuador's plans to increase avocado and cocoa production in 9 of the country's 24 provinces. A total investment of USD 147.0 million aims to increase avocado production from 8 to 15 tonnes per hectare by 2025 by establishing certified avocado nurseries and training nursery workers, creating new plantations with effective irrigation, and developing Ecuador's collecting and packaging infrastructure. A further investment of USD 133.6 million is also sought to increase cocoa yields with the help of a new national traceability system and a technology transfer and capacity development programme, among other interventions. These combined investments are expected to create approximately 17 000 jobs benefiting 22 500 people, including 6500 women.

Guatemala

Hand-in-Hand is supporting investments designed to reduce poverty and food insecurity in Guatemala's Polochic Valley and the Adyacencia Zone through inclusive and resilient agriculture, improved infrastructure and the sustainable management of natural resources. Specific interventions include the rehabilitation and expansion of sustainable agroforestry systems for coffee, cardamom and cocoa, the promotion of associative marketing to strengthen local producers' commercial capacities, and the adoption of digital technologies. A total investment of USD 45 million is sought, with an internal rate of return of 33 percent. This investment will benefit 17 500 households, including 39 000 women and 23 400 young people.

Nicaragua

As part of Nicaragua's National Rural Investment Programme 2022–2031, which aims to reduce poverty and drive sustainable development, Hand-in-Hand is facilitating investments in the country's dairy and coffee value chains. In the departments of Boaco, Chontales and Matagalpa, as well as the South Caribbean Coast Autonomous Region, a USD 49.7 million investment would improve milking practices, promote low-carbon measures, increase daily milk storage capacity fivefold and upgrade laboratory equipment for quality control. These interventions would benefit an estimated 30 000 people, increase carbon fixation by 12.2 million tonnes of carbon dioxide equivalent per hectare, and produce an internal rate of return of 35 percent. Hand-in-Hand is facilitating a further investment of USD 19.8 million to improve coffee production, processing, branding and marketing in the departments of Nueva Segovia, Jinotega and Matagalpa. With an internal rate of return of 21 percent, this investment would benefit approximately 120 000 local residents.



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Regional initiatives

Sahel

Although the Sahel faces significant environmental, political and social challenges, its abundant natural and human resources offer enormous potential for sustainable growth. Hand-in-Hand is working with nine countries – Burkina Faso, Cameroon, Chad, Gambia, Guinea, Senegal, Mali, Niger and Nigeria – to facilitate partnerships and investments to accelerate the transformation of agrifood systems across the region. Interventions will focus on improved water management and governance, innovation for resilient agriculture, and strengthening national and regional institutional capacities. In Niger, for example, Hand-in-Hand is supporting investments totalling USD 2.8 billion to establish small-scale irrigation systems for 10 selected crops including onion, tomato and cabbage. Covering 373 000 hectares, this investment would more than triple average crop productivity, benefit 4.6 million people in rural areas – lifting 648 612 of them out of poverty – and provide an estimated internal rate of return of 27 percent. A similarly transformative investment in small-scale irrigation has also been identified in Burkina Faso, and others are currently being developed across the Sahel.

Central American Dry Corridor

Stretching across Guatemala, Honduras, El Salvador and Nicaragua, the Central American Dry Corridor is home to 11.5 million people, most of whom work in agriculture. In partnership with regional authorities, Hand-in-Hand is supporting investments to transform the region's agriculture, create economic opportunities and reduce poverty. These investments are centred around four intervention areas: using digital ecosystems to improve market access for small- and medium-sized enterprises; promoting sustainable and resilient agriculture through improved water supplies; digital soil mapping to inform decision-making; and agricultural climate risk zoning to promote climate-smart farming. Taken together, these interventions will benefit over 1.5 million of the region's agricultural producers. Soil mapping and risk zoning will also build the knowledge and capacities of public sector organizations, private companies, academic institutions and non-governmental organizations working in the region.



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Initiative

Interested in learning more about Hand-in-Hand's investment opportunities? Please contact the Hand-in-Hand Investment Forum:
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For more information about the initiative, please visit the Hand-in-Hand website: <https://www.fao.org/hand-in-hand/en>