FAO’s Strategic programme to reduce rural poverty

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**Historical context**

Since 1993, great success in reducing poverty— though lower income countries still far behind
Poverty vs. hunger

Greater success in reducing extreme poverty than in reducing hunger

Millions of extreme poor and hungry, developing countries

Hunger is on the rise

- In 2016, the number of chronically undernourished people in the world is estimated to have increased to 815 million, up from 777 million in 2015 although still down from about 900 million in 2000.
### What has not changed: the face of extreme poverty

- Predominately rural; most depend—at least partly—on agriculture, fishing or forest resources for their livelihoods
- Less access to productive resources, services and technologies, basic services, infrastructure, off farm employment (gender, ethnicity, age, ..)
- More likely to be malnourished in all forms
- High dependency ratio
- Difficulty managing risk—and increasingly vulnerable with climate change
- Remoteness and geographical isolation
- More likely to suffer from conflict and live in fragile states

### Why FAO works on rural poverty reduction

- 815 million people still live in extreme poverty
  - Inequalities still pervasive
- Reducing rural poverty is key determinant of eliminating hunger and malnutrition
  - FAO has strategic role in linking SDG1 and SDG2
- 2 out of 3 people in extreme poverty live in rural areas
- Most of the poor depend—at least partly—on agriculture, fishing or forest resources for their livelihoods
- Population growth outpacing economy-wide job growth
- Growing magnitude and complexity of migration
- Larger negative effects of climate change on rural poor
Agriculture and food systems are key to achieving SDGs 1 and 2

Numerous cross-country studies and country experiences highlight a larger impact of agricultural growth on poverty reduction—particularly for the poorest and most hungry.

- Larger for staple foods than for export crops.
- Example: agriculture accounted for the bulk of poverty reduction in Ethiopia over the past 15 years.
- Example: China and the household responsibility system.

Important safety net for food security.

Meeting future needs.

Pathways out of poverty

Empowerment, access to resources, services & markets, skills, employment opportunities.

Engagement in agriculture

Engagement in non-agriculture

Source: Hoddinott and Tuhaye 2014.
What is necessary to reduce rural poverty and hunger

- Foster inclusive structural transformation and growth
  - enabling poor to actively participate in, and benefit from, economic activity
- Address structural constraints faced by poor rural households
- Create decent off-farm employment for the poor; build and scale-up social protection systems
- Build rural infrastructure (energy, transport, water, sanitation) and human capital (health, education)
- Strengthen governance
  - Capacities of local government, institutions, and organizations
- Empowerment of the poor
  - Participation and voice; knowledge and protection of their rights

In other words, multi-sectoral approaches are needed
Challenges

• Multiple sectors do not use poverty analysis and cannot identify and target the rural poor effectively (lack of data)

• Poor attention to political economy of structural and agrarian transformation (at local and global level)

• Lack of systematizing of experiences and models that works for multi-sectoral policy coordination

• Lack of investment in rural areas to promote local development vs aggregate economic growth and mega projects

• Lack of coordination between line ministries and sectors, fragmentation and conflicting mandates (e.g. Ministry of Agriculture vs Ministry of Rural Development)

What works and what does not

• FAO’s approach to rural poverty reduction is relevant and has an overall sound intervention logic;

• FAO’s work to enhance and ensure equitable access, decent rural employment and social protection has demonstrated their appropriateness, but interventions could not always be embedded from projects to national programs;

• RIs have provided flexible and innovative support to engage with regional partners and field test concepts, but limitations to provide context-specific and multi-sectoral support to countries;

• FAO COs are increasingly including focus on SDG1, but poverty analysis remains inadequate in programmes and project design, in part due to lack of baseline and disaggregated data
What works and what does not

- Comparative advantages, instruments, and number of partnerships to promote a multi-sectoral approach; potential to deepen partnerships with governments to help build capacities to implement multi-sector strategies for poverty reduction

- Despite having identified its value-addition, FAO faces corporate challenges in resource mobilization especially on social protection and decent rural employment

Examples of regional work

- Regional Initiative “Family farming and inclusive food systems for sustainable rural development in Latin America and the Caribbean” (Guatemala and Costa Rica)

- Regional Initiative “Sustainable small-scale agriculture for inclusive development in the Near East and North Africa” (Tunisia, Niger, Liberia, Nigeria, Ghana)

- Regional Initiative “Empowering smallholders and strengthening family farms in Europe and Central Asia” (Turkey, Georgia, Azerbaijan, Kyrgyzstan)

- Regional initiative “Enhancing Resilient Livelihoods to Address the Climate Change, Disaster and Poverty Nexus in Asia” (Bangladesh, Myanmar, Vietnam)
Examples country-specific work in Asia-Pacific

• Strengthening producers’ organizations to reduce rural poverty (Vietnam);

• Empowering Women in Balochistan through Agri-Entrepreneurship (Pakistan);

• Accelerating Progress toward the Economic Empowerment of Rural Women: Pilot Contributing to the Implementation of the Agricultural Development Strategy (Nepal);

• Improving Farmer Livelihoods in the Dry Zone through Improved Livestock Health, Productivity and Marketing (Myanmar);

• Partnership for Improved Nutrition – Supporting Women’s Action on Nutrition (SWAN) (Lao PDR);

Thank you
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