



FAO's Strategic Objective 3

Reduce rural poverty

The challenge of rural poverty

Fighting rural poverty is a major challenge. While the global poverty rate – the share of the population living on less than US\$1.25 per day – was halved between 1990 and 2010, about 1.2 billion people continue to live in extreme poverty. More than 75 percent of these extremely poor people (about 900 million) reside in rural areas, where most of them depend on agricultural production for their survival, and where poverty, hunger and food insecurity are closely intertwined problems.

There have been successes in tackling poverty over the past decade, notably in Asia. However, many countries in the developing world, particularly in sub-Saharan Africa, are lagging behind. Even in countries where poverty has been reduced, inequalities remain pervasive – between rural and urban areas, among regions and ethnic groups, and between men and women. Such inequalities hamper progress in reducing poverty and improving food security.

The challenge of reducing rural poverty

To fight rural poverty, employment and income opportunities for the poor need to be improved. This will require building more resilient and diversified rural economies. Helping small farmers to improve farm productivity can be one important vehicle, but in most contexts is not enough to lift all rural poor out of poverty. Non-farm job opportunities need also to be increased, along with finding better ways for rural populations to manage and cope with risks in their environments that are so susceptible to variable weather and volatile market conditions. Better social protection can help the poor better manage such risks and, by providing greater income security, it also tends to stimulate the rural poor to invest more into their future: into their farms, their food security, and the education of their children.

Women play a critical role in securing enough nutritious food on the table as much as in contributing to income generating capacity of rural households. Addressing inequalities between women and men in access to productive resources, services, and economic opportunities should therefore be an essential ingredient of food security and rural poverty reduction strategies.

Youth form a major share of rural populations in developing countries, but many face bleak economic prospects no matter whether they stay in the countryside or migrate to cities. Promotion of gainful and productive opportunities through enhancing the skills of rural youth and upgrading and diversifying local economic activities therefore will be essential in providing youth with a future.

What is FAO doing to address these challenges?

FAO is supporting governments in overcoming the hurdles to rural poverty reduction, including by aligning policies for the agriculture sector and food security with the broader objectives of rural development. Specifically, FAO will work with partners to support governments and others in achieving three broad outcomes.

- 1. Empowerment of the rural poor in gaining sustainable access to resources and services**, through:
 - developing comprehensive rural development and poverty reduction strategies;
 - strengthening rural institutions and organizations, including producer organization and cooperatives;
 - improving the provision of rural infrastructure and services that are accessible to the rural poor;
 - improving access for the rural poor to natural resources, and the sustainable management of these resources;
 - improving the productivity and income-generating capacity of smallholder farmers and other producers.
- 2. Improved access for the rural poor to opportunities for decent farm and non-farm employment** through:
 - improving the design of strategies and policies for diversifying rural economies, to promote decent work creation and skills training for rural workers, especially youth and women;
 - enhancing adherence to international labour standards – such as those for eliminating discrimination, ensuring occupational safety and health and preventing child labour – consistent with the overall improvement of rural livelihoods;
 - strengthening the analysis of rural labour markets to enable better-informed policy decisions that promote increased and better job opportunities for the rural poor.

Website:

<http://www.fao.org/about/what-we-do/so3/en/>

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3. *Improved social protection systems*, through:

- strengthening the links between social protection measures and food and nutrition security, growth in agricultural productivity, empowerment of rural women, and rural poverty reduction;
- ensuring that social protection programmes help the rural poor manage risks more effectively.

What is new in FAO's programme of work?

FAO's interventions in these areas will complement each other. No single element alone will suffice to ensure sustainable rural poverty reduction. It will be critical to make agricultural value chains more productive and inclusive for the rural poor, but efforts to do so will have to focus on more than a single crop or sector. Natural resource and other production constraints may prevent many rural poor people from engaging in viable farming or agriprocessing, so new economic activities will have to be introduced to create opportunities for decent livelihoods for all. This diversification will, in turn, require the development of rural infrastructure and services (including social services). Providing additional income and employment opportunities, supported by social protection, will help ensure more secure access to food in the fight against hunger.

Interventions for rural poverty reduction and ending hunger will have to be cross-sectoral and to pay attention to all of these dimensions. Needs will vary from context to context, and FAO will support countries in identifying the area- or region-specific factors that impede rural poverty reduction and sustainable development, and options for overcoming these obstacles.

Rural poverty reduction initiatives

FAO's work on rural poverty reduction aims to support countries through a range of activity types:

■ *Integrated rural poverty reduction initiative:*

- FAO has initiated pilot activities to support integrated rural development in cassava-producing areas in northern Ghana, livestock-producing areas in Ethiopia, and poor districts in Indonesia engaged in fish, maize and livestock production. These activities are expected to be expanded across other regions. Alongside their common approach, these regional initiatives will be linked by regional knowledge sharing and South–South cooperation.

■ *Thematic global and regional initiatives:*

- The Rural Youth Employment Initiative is a new thematic initiative focusing on generating employment for rural youth. Initially it will concentrate on Africa, with activities linked to a similar initiative by the African Union–New Partnership for Africa's Development (AU–NEPAD). The Rural Futures Initiative builds on FAO's integrated country approach to promoting decent rural employment, piloted in Malawi, the United Republic of Tanzania and Zambia, and on Junior Farmer Field and Life School (JFFLS) interventions in 15 African countries to date.
- The Rural Women Economic Empowerment Initiative is being implemented at the global level with UN Women, the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP). It promotes women's access to productive resources, decent employment and rural institutions.
- Through the From Protection to Production (PtoP) initiative, FAO and its partners support countries in strengthening social protection systems to promote increases in production and access to food and to improve rural livelihoods through better risk management.

■ *Provision of global public goods and knowledge products*, including:

- Rural livelihoods monitoring and integrated monitoring and evaluation systems for rural development and poverty reduction.

