



## Economic inclusion and social protection to reduce poverty Poverty reduction, economic inclusion and social protection in the Near East and North Africa region

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### The issue

The COVID-19 pandemic is best characterized as the most recent in a series of shocks and crises that confront vulnerable rural populations in the Near East and North Africa (NENA) region. On top of structural fragility, conflict, desert locust and other transboundary pests and diseases, climatic stresses such as floods and drought, and economic shocks have all continued to exacerbate poverty and food insecurity in the NENA region. As of 2019, an estimated 31 million people of NENA population suffer from acute food and livelihood crisis (IPC 3) or worse and three of the top ten most food insecure countries in the world are in the NENA region (the Sudan, Syria and Yemen). Moreover, the NENA region is the only region where extreme poverty has increased in recent years, a trend that is mostly driven by outbreak of conflict in 2011.<sup>1</sup> The violence has also led to large-scale human displacement and forced migration. According to Internal Displacement Monitoring Centre (IDMC) report for 2020, despite being home to just 5.4 percent of the global population, the NENA region accounts for more than a quarter of people internally displaced by conflict and violence globally, in addition to more than one third of the global refugee population. This is higher than any other region. By the end of 2018, the NENA region hosted more than 11.8 million refugees and 14.8 million internally displaced persons (IDPs).

The global health crisis adds further complexity to the region's socio-economic challenges and threatens to push millions of the region's population over the edge into poverty and food insecurity. The public health measures and restrictions adopted by countries in response to COVID-19 have amplified the adverse impacts of pre-existing crises on food and nutrition security and set back efforts made to re-establish and safeguard livelihoods especially in resource poor rural areas. The United Nations Economic and Social Commission for Western Asia (UN ESCWA) estimates that 1.7 million jobs would be lost in 2020, especially in sectors where women and young people are mainly concentrated, and an additional 8.3 million people will fall into poverty in the region. Further, the demographic pressures are high in the NENA region with the highest youth unemployment rate in the world in 2019, according to data published by the World Bank. Millions of small scale farmers and agriculture workers have experienced income reduction or loss with informal, casual, seasonal and migrant laborers being among the hardest hit. Of these, women and young people face special vulnerabilities due to their constrained access to capital, assets, information, services and markets.

The differential health, social and economic impacts of COVID-19 are likely to exacerbate the tremendous inequalities between and within countries in the NENA region. For example, disparities in access to digital technologies are becoming increasingly problematic. Rural populations, particularly women among them, with more limited access to computers, smartphones and broadband, coupled with

### Budget

USD 10 million

### Time frame

2021–2023

### SDGs



### Related FAO policy notes on COVID-19

- ▶ [COVID-19 and the impact on food security in the Near East and North Africa](#)
- ▶ [Social Protection and COVID-19 response in rural areas](#)
- ▶ [COVID-19 and smallholder producers' access to markets](#)
- ▶ [Impact of COVID-19 on informal workers](#)
- ▶ [FAO Policy Brief on Rural Youth and the COVID-19 Pandemic](#)
- ▶ [Gendered Impacts of Covid-19 and Equitable Policy Responses in Agriculture, Food Security and Nutrition](#)

<sup>1</sup> World Bank. 2020. *Poverty and Shared Prosperity 2020: Reversals of Fortune*. Washington, DC.





higher illiteracy and lower digital literacy, are unable to participate in the now booming digital economy while rural children, adolescents and youth struggle to continue their education or training online de-facto hampering their school to work transition. The exclusion of informal workers and farmers from social protection schemes and robust safety nets is another critical element that has undermined the resilience and adaptive capacity of rural communities to shocks like COVID-19 and beyond, particularly in fragile or conflict affected countries.

In this context, the recovery from the impacts of COVID-19 in the NENA region must focus on addressing national, sub-national and household and intra-household inequalities. Economic recovery programs that do not address these inequalities and work to bridge the growing gender and age divide and rural-urban gap among other disparities, run the risk of reinforcing and deepening these inequalities into the future.

### 1 Priorities for action and expected results in the NENA region

This regional program for action seeks to support vulnerable rural populations to respond to, withstand and recover from the impacts of COVID-19 on agriculture and rural livelihoods, amidst several parallel crises facing NENA countries. Below are several regional priorities for action to reduce rural poverty and protect and support those in vulnerable situations, with the aim enabling small scale producers, agriculture workers, rural women, youth and migrant populations to emerge resilient, with even more inclusive and sustainable food systems. These reflect the priorities expressed and endorsed by Member States in the second Regional Consultative Technical Meeting under the theme of 'Responding to the COVID-19 Pandemic impact on Agriculture and Food Security in the Near East and North Africa region' and subsequently confirmed in the 35th Session of the Regional Conference for the Near East. This work is part of several ongoing partnerships and programmes addressing the impacts COVID-19 including the regional roll out of the United Nations (UN) Agencies Decade of Family Farming, the regional UN Issue Based Coalitions on Youth Empowerment, Gender and Social Protection, and the Arab Strategic Framework for the Eradication of Multidimensional Poverty 2020-2030.

### 2 Social protection and safety nets

COVID-19 has highlighted the extent to which the low coverage and effectiveness of social safety nets has severely diminished the resilience of rural communities to shocks. Temporary disruptions to income and employment can have long-term impacts on rural households, leading to various negative coping mechanisms and pushing the most vulnerable into extreme poverty.

- Result: Increased resilience of rural communities, protection of the most vulnerable and reduced rural poverty through i) expansion of social protection

coverage and improved targeting especially for rural women, youth, small scale family farmers and migrant agriculture workers ii) greater efficiency and efficacy of existing social protection programs in rural areas through the integration of systematic monitoring, evaluation and learning processes iii) increased uptake by governments and social protection providers of innovative approaches, including digital and automated platforms, to facilitate service delivery and foster resilience among the rural poor iv) enhanced coherence between social protection and agriculture sub sectors, including in protracted crisis contexts and v) expansion and institutionalization short-term emergency social protection measures put in place in response to COVID-19 or conflict to achieve horizontal scale-up.

### 3 Digital innovation for smallholder producers

The COVID-19 crisis and the containment measures are having an impact on all sectors of the economy, including smallholder farmers. They also provide an opportunity for advancing agriculture modernization and transformation. Small-scale producers operate under the emergency conditions of covid-19, and they need support to maintain their production capacity and improve their resilience. Meanwhile, to promote innovation, measures should be taken to develop smallholder organizations, human and institutional capacity, market access, and targeted financial and agri-services, to ensure inclusive recovery.

- Result: Food system recovery that is inclusive of smallholder farmers and ensures that wider use of and investments in digital tools and e-commerce do not lead to increased inequalities and marginalization of smallholders and the most vulnerable through i) promotion and scale up of digital agriculture among smallholder farmers using available digital extension tools and Apps and by strengthening targeting and training ii) support to e-finance services to address the constraints in accessing credit and inputs among the poor iii) strengthened e-commerce platforms for food and agriculture to assist in linking smallholder farmers to input or output providers further up the value chain iv) adoption and scale up of smart sensing technologies to monitor food quality and safety combined with training for small-scale producers to meet quality standards v) promote and scale up block chain in support to more efficient and inclusive contract farming.

### 4 Decent rural employment for adolescents and youth

Youth unemployment rates in the NENA region are among the highest in the world and are being exacerbated by COVID-19. When rural youth are able to find work, this is often informal and precarious in nature, characterized by low-pay, long hours, high exposure to health and safety hazards and no social protection. The absence of decent jobs and employment opportunities





is one of the main drivers of youth migration in the region. The effects of the pandemic on young people's education, development and employment prospects, especially of girls, has been detrimental especially in remote and rural areas. School dropout rates and inadequate school-to-work transitions are expected to rise significantly over the next one to two years.

- Result: Keep young people out of poverty, and out of harmful working conditions or child labour from an early age, particularly those whose education, training or employment has been affected by COVID-19, while also harnessing their untapped potential to transform agri-food systems through: i) education, vocational education, training and skills development in areas such as digital technologies, innovation and entrepreneurship to increase rural youth employability in line with labor market needs, therefore addressing the persistent skills-mismatch ii) job creation for youth in high-value segments of agriculture value chains and green industries such as eco-tourism, sustainable agriculture, or waste management through support to agri-business and agri-tech start-ups (including access to financial facilities, business and product development and other services) iii) active engagement of youth in regional and national dialogues around food systems, agriculture and rural development, iv) in specific fragile countries, or pockets of fragility within countries, the overall points will be re-adapted to the specific contexts while bridging the humanitarian-development and peace nexus (including with emergency employment schemes bridging into longer term employment opportunities).

## 5 Rural women's economic empowerment

Pre-existing gender inequalities across the region have shaped disproportionate impact of COVID-19 on women and young women, affecting their productive roles but also time-use, domestic and care responsibilities, access to services as well as their well-being, safety and health. Women agriculture workers have been among the first to lose their employment.

- Result: Women's economic activities and productive employment in agri-food value chains supported through i) measures enhancing rural women's access to resources and services, jobs, financial services and market participation, with particular attention to women-run agribusinesses and promotion of inclusive value chains ii) rural women and their organizations empowered to engage in the design and implementation of COVID-19 response iii) women small-scale producers provided equitable access to land, productive resources, inputs and services for the next production season iv) programs to protect rural women and young women from gender-based violence designed and implemented taking advantage of the current context and disproportionate impact of COVID-19 on women to pursue more gender transformative policies and programmes in the region.

## 6 Livelihood-recovery and diversification

Supporting on and off-farm activities along rural value chains is essential for livelihood recovery and diversification in response to the economic impacts of COVID-19 on small scale producers and agriculture workers in the NENA region. More inclusive and efficient rural institutions and services can provide the knowledge, inputs, capital and linkages to achieve this, while ensuring quicker and more equitable recovery in the immediate, medium and long term.

- Result: Sustained livelihoods, increased productivity and greater on and off farm employment through i) Increased access of farmers, women and men, to inputs and services including rural finance, extension and market-oriented advisory services, land and water resources and post-harvest services ii) support to producer organizations to link small-scale farmers to markets and iii) adoption of innovative practices to boost productivity and profitability, shorten value chains, reduce costs and enhance sustainability.

## 7 Inclusive data and information systems

Shocks and crises impact different vulnerable groups disproportionately. Reliable information systems ensure that different categories of people receive the right support at the right time. Underlying the aforementioned results is the need for accurate and comprehensive information to manage the multiple risks in holistic manner.

- Result: Increased availability and use of data and analysis on the differentiated socio-economic impacts of COVID-19 on rural populations. This requires: i) investment in gender and age sensitive food security and nutrition information systems ii) rapid assessments of food security and socio-economic impacts on women, youth and populations in vulnerable situations at large ii) use of poverty and vulnerability analysis in the design and implementation of territorial approaches.

## Partnerships

In addition to working closely with government counterparts, FAO will strengthen and expand its partnerships with development partners, academia, civil society and private sector at the sub-national, national and regional levels to ensure effective delivery of program results. Central to this, are the existing strategic partnerships under the five Regional Issue Based Coalitions on Social Protection, Gender Equality, Youth, Migration and Food Security, climate action and environment which encompass more than 20 UN Agencies operating in the NENA region in addition to key regional organizations, notably the Arab Women's Organization, The League of Arab States and UN ESCWA. Other core partners will include the Center for Mediterranean Integration, World Youth Forum, American University in Beirut, and the International Policy Centre for Inclusive Growth.





## Program Links

FAO's COVID-19 response on poverty reduction, economic inclusion and social protection links to several ongoing regional and global initiatives. Principal among these is the regional roll-out of the UN Decade of Family Farming and its Global Action Plan and the Arab Strategic Framework for the Eradication of Multidimensional Poverty 2020-2030. Within FAO, implementation will be aligned to the workplan of the Regional Initiative on Small Scale Family Farming as well as European Union Regional Trust Fund projects such as the 'Enhancing resilient livelihoods and food security of host communities and Syrian refugees in Lebanon and Jordan through the promotion of sustainable agricultural development.' Globally, this program will be linked to the FAO Hand-in-Hand Initiative focusing on the eradication of poverty (SDG 1) and ending hunger in all forms (SDG 2).

## Countries

All NENA countries and West Bank and Gaza Strip

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