



Economic inclusion and social protection to reduce poverty

Promoting integrated community development with a focus on social protection and migration to minimize the socio-economic impacts of COVID-19

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The issue

The COVID-19 outbreak is having a severe socio-economic impact on countries across Europe and Central Asia. Economic activity, private consumption and investment have slumped, jeopardizing the livelihoods of many, particularly those in poor rural areas. Even before the pandemic, the low profitability and instability of agriculture-based employment, coupled with a more general lack of income-generating opportunities, had been prompting rural populations to adopt various coping strategies, from multiple informal jobs and child labour to domestic and cross-border migration.

According to the World Bank, between 2.7 million and 4.2 million Central Asian labour migrants were estimated to work in the Russian Federation prior to the pandemic, with around 90 percent of their remittances going to meet the basic needs of rural households in their countries of origin. With border restrictions and the economic slowdown, poverty rates may rise if remittances fall, as they account for up to 30 percent of gross domestic product in countries such as Kyrgyzstan and Tajikistan (The Global Economy, 2009). The mass return of migrant workers to homelands after lockdown measures were imposed across Europe, the Russian Federation and the Middle East has left local economies and governments struggling to support them in re-establishing their livelihoods. The economic slowdown has already hit remittance-dependent households, increasing poverty and worsening food and nutrition security in vulnerable rural areas. An inadequate response may see a reversal of national progress on the 2030 Agenda and the Sustainable Development Goals (SDGs), particularly SDGs 1 and 2.

The action

The Food and Agriculture Organization of the United Nations (FAO) is accelerating plans to deliver comprehensive multi-sectoral solutions for countries across the region, to help ensure the sustainable economic recovery of the most vulnerable rural communities, with a focus on the poorest, the new poor and returning migrant workers, particularly rural women and youth.

The response is based on FAO's holistic framework for integrated community development and will draw on the complementarity and synergy of local rural development and social protection measures. It will identify and capitalize on opportunities in a community-driven, participatory and inclusive way, including social protection tools and community development measures to address the economic, social and environmental dimensions of sustainability in food and agriculture.

Budget: USD 4 million

Time frame: 2020–2024

SDGs



Related FAO policy briefs

- Social protection and COVID-19 response in rural areas
- Impact of COVID-19 on informal workers
- Gendered impacts of COVID-19 and equitable policy responses in agriculture, food security and nutrition

Partnership

To support integrated gender-sensitive community development and social protection across the region, FAO builds on its strategic alliances with the governments of Austria, Turkey, Japan, the European Union and the Russian Federation. It also partners with the United Nations High Commissioner for Refugees, the International Organization for Migration, the International Labour Organization, the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), the United Nations Development Programme, the International Fund for Agricultural Development and other United Nations agencies, also on the basis of United Nations Issue Based Coalitions (IBC), including the IBC on Gender Equality. FAO also seeks new engagements with governments, bilateral and multilateral partners, international financial institutions, development banks, the private sector, civil-society organizations and academia.



The programme will address constraints on the empowerment of rural women and youth and the inclusion of vulnerable and disadvantaged groups by improving income diversification, access to finance and public employment services, and small-scale investments to ensure no one is left behind. FAO will draw on the regional technical network on community development established to support the United Nations Decade of Family Farming 2019–2028 and, in line with the SDGs, will work to underpin a path to sustainable agricultural production and resilient livelihoods by promoting green solutions and climate-neutral practices.

- ▶ Building on work in Armenia and Kyrgyzstan, the programme will **scale up FAO's Cash + model in the region**, complementing state cash transfer programmes through the provision of agricultural inputs, technical training focused on green and organic solutions, strengthening capacities of the national extension and advisory services and improving nutrition and healthy diet education.
- ▶ FAO will also offer recipients of unemployment and other social benefits complementary **support to improve knowledge and skills and increase their access to inputs and subsidies** for productive participation in the food and agriculture sector, through a territorial approach. This will include, for example, concessional weather insurance for organic agricultural production, sustainable water and pastureland management, income diversification, better access to markets and data, and boosting the competitiveness of produce.
- ▶ FAO will work with national governments and key stakeholders to **enhance the coherence of social protection, migration, agriculture, food security and rural development policies and practices**. It will work to promote policy dialogue, the cross-sectoral review of national development strategies, greater social inclusion and a human-oriented approach by state institutions to ensure they are more responsive to the needs of vulnerable groups.

By combining these approaches at policy and grassroots level, FAO will help recipient countries to address the lack of jobs and income-generating opportunities in rural areas as drivers of potential outmigration.

Expected results

- ▶ Rural populations, particularly disadvantaged and vulnerable groups (including youth, women and returning migrant workers) have **greater access to adequate support and economic measures to improve the competitiveness and resilience of their livelihoods** and to enhance the food security and nutrition of rural communities, particularly the poorest households.
- ▶ Decision- and policymakers at local and national level, including ministries, local governments and non-state institutions, are more knowledgeable and have greater capacity to **apply an integrated community development approach and social protection tools** to mitigate the socio-economic implications of COVID-19.
- ▶ **Policy dialogue on rural development and economic inclusion is strengthened** through an exchange of ideas and experience on integrated community development in the region.

Programme links

The programme ties in with FAO's Regional Initiative on Empowering smallholders, family farms and youth, facilitating rural livelihoods and poverty reduction. It builds on current and future projects on nutrition-sensitive and productive social protection, risk-informed and shock-responsive social protection and local rural development in the region. It is aligned with other actions under FAO's Response and Recovery Programme, including on boosting smallholder resilience for recovery. Other programme links include the World Bank's Emergency Social Protection project, The Build Back Better programme of the United Nations Development Programme and various support programmes of the Asian Development Bank.

Country focus

The initial focus countries include Armenia, Kyrgyzstan, the Republic of Moldova, Tajikistan and Uzbekistan.¹

Contact

Raimund Jehle
Regional Programme Leader
FAO Regional Office for Europe and Central Asia
REU-RPL@fao.org

Food and Agriculture Organization of the United Nations
Budapest, Hungary



¹ The list of the recipient countries may be expanded based on the evolving situation and FAO's ongoing country and regional assessments in the context of COVID-19.

