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**Eradication of poverty and other development issues**

## **Eradicating rural poverty to implement the 2030 Agenda for Sustainable Development**

### **Report of the Secretary-General**

#### *Summary*

The present report is submitted pursuant to General Assembly resolution [75/232](#) and contains an assessment of the state of rural poverty, which has worsened as a result of the coronavirus disease (COVID-19) pandemic, particularly in developing countries, as well as policy recommendations to overcome the numerous gaps and challenges.

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\* [A/76/150](#).



## I. Fostering an inclusive and sustainable recovery to fight back the reversal in the eradication of rural poverty and achieve the 2030 Agenda for Sustainable Development

1. In September 2019, the Secretary-General launched a decade of action for the Sustainable Development Goals, urging countries, development partners and society at large to scale up actions to deliver the Goals by 2030. In the present report, the current status of Sustainable Development Goal 1 in rural areas is examined,<sup>1</sup> as requested by the General Assembly in its resolution 75/232.

2. The devastating socioeconomic impacts of the coronavirus disease (COVID-19) pandemic have reversed global poverty reduction trends for the first time since 1990. The pandemic is estimated to have pushed an additional 97 million people into extreme poverty in 2020, after decades of such poverty being in continuous decline.<sup>2</sup> As a consequence, Goal 1 will not be met unless urgent and transformative action is taken.<sup>3</sup>

3. More than ever, a greater focus on rural areas is critically needed to eradicate global poverty. Globally, about 80 per cent of the extreme poor and more than 75 per cent of the moderate poor live in rural areas.<sup>4</sup> The pandemic will likely exacerbate rural extreme poverty during 2021 and the years to come.

4. The economic shock caused by the pandemic has rapidly spread to rural areas,<sup>5</sup> given the increasing linkages between rural and urban areas worldwide;<sup>6</sup> therefore, addressing rural poverty is fundamental for the achievement of Goal 1, as well as for most of the other Goals, with 70 per cent of the targets requiring action in rural areas.<sup>7</sup>

5. The goal of eradicating poverty in rural areas cannot be separated from climate action and the food systems transformation agenda. The rural poor will be directly affected by the opportunities and challenges deriving from the implementation of

<sup>1</sup> The present report was prepared by the secretariat of the Food and Agriculture Organization of the United Nations (FAO) in close collaboration with the Department of Economic and Social Affairs of the Secretariat and with inputs from the Economic Commission for Latin America and the Caribbean (ECLAC), the International Organization for Migration, the International Labour Organization (ILO), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization (UNIDO), the United Nations Children's Fund (UNICEF), the United Nations Human Settlements Programme (UN-Habitat) and the World Health Organization (WHO).

<sup>2</sup> In 2021, the number of people living in extreme poverty is predicted to decrease globally by 21 million. See Daniel Gerszon-Mahler and others, "Updated estimates of the impact of COVID-19 on global poverty: turning the corner on the pandemic in 2021?", World Bank Data Blog, 24 June 2021.

<sup>3</sup> António Guterres, Secretary-General of the United Nations, "Tackling the inequality pandemic: a new social contract for a new era", Nelson Mandela lecture (as delivered), 18 June 2020.

<sup>4</sup> World Bank, *Poverty and Shared Prosperity 2020: Reversals of Fortune* (Washington, D.C., 2020).

<sup>5</sup> Jawoo Koo and others, "Rural populations face heightened COVID-19 risks", International Food Policy Research Institute blog: research post, 12 May 2021.

<sup>6</sup> Andrea Cattaneo, Andrew Nelson and Theresa McMenomy, "Global mapping of urban-rural catchment areas reveals unequal access to services", *Proceedings of the National Academy of Sciences of the United States of America*, vol. 118, No. 2 (January 2021).

<sup>7</sup> Carolina Trivelli and Julio A. Berdegue, *Rural Transformation: Looking Towards the Future of Latin America and the Caribbean, 2030*, Food, Agriculture and Rural Development in Latin America and the Caribbean, Document No. 1 (Santiago, FAO, 2019).

those agendas. Therefore, it is imperative that both agendas place their main contributors, people living in rural areas, at the centre.<sup>8</sup>

## II. State of rural poverty: progress achieved and pressing challenges

6. Global extreme poverty declined significantly in the three decades after 1990. Between 1990 and 2017, the number (and proportion) of people living below the international extreme poverty line of \$1.90 a day declined from 1.9 billion (36 per cent of the population) to 696 million (9.3 per cent of the population).<sup>9</sup>

7. The pace of poverty reduction had slowed in recent years, even before the pandemic. In sub-Saharan Africa, the incidence of extreme poverty decreased from 43.9 per cent to 40.4 per cent between 2013 and 2018.<sup>10</sup> Over the same period, extreme poverty increased from 2.1 per cent to 7 per cent in the Middle East and North Africa, driven by conflicts in the Syrian Arab Republic and Yemen,<sup>11</sup> while in Latin America and the Caribbean, extreme poverty remained at about 4 per cent for the sixth year in a row.<sup>12</sup> The incidence of extreme poverty in South Asia was estimated at 15.2 per cent in 2014, but a rate below 10 per cent for 2017 is expected.<sup>13,14</sup>

8. Trends were more encouraging in the East Asia and the Pacific region and in Europe and Central Asia, where extreme poverty continued to decline before the pandemic and affected about 1 per cent of the population in 2019.<sup>15</sup>

9. The reduction of poverty at higher poverty lines had been slower than the progress observed with regard to extreme poverty in recent years;<sup>16</sup> hence, a large share of the world's population was at risk of falling back into extreme poverty in the advent of an additional shock.

10. In 2018, about 80 per cent of the extreme poor lived in rural areas, despite rural populations representing only 48 per cent of the world's population. The concentration of the global extreme poor in rural areas increased by more than two percentage points between 2015 and 2018.<sup>17</sup> This increase mirrors the increasing concentration of extreme poverty in sub-Saharan Africa and South Asia, where the share of the population living in rural areas is substantially greater than in the rest of the world. In 2018, those two regions hosted almost 90 per cent of the world's extreme poor.<sup>18</sup>

11. Rural areas host the great majority and a disproportionate share of the people living in extreme poverty in all developing regions. In South Asia and sub-Saharan Africa, 89 per cent and 83 per cent, respectively, of the extreme poor live in rural

<sup>8</sup> Benjamin Davis, Leslie Lipper and Paul Winters, "Do not transform food systems on the backs of the rural poor" (forthcoming).

<sup>9</sup> World Bank, PovcalNet, available at <http://iresearch.worldbank.org/PovcalNet/povOnDemand.aspx> (accessed in May 2021).

<sup>10</sup> World Bank, World Bank Development Indicators database, available at <https://databank.worldbank.org/source/world-development-indicators>.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Pre-pandemic trends are more uncertain for South Asia owing to a lack of recent data from India, a largely populated country in the region.

<sup>14</sup> World Bank, *Poverty and Shared Prosperity 2020*.

<sup>15</sup> World Bank, World Bank Development Indicators database.

<sup>16</sup> Ibid.

<sup>17</sup> World Bank, *Poverty and Shared Prosperity 2020*.

<sup>18</sup> Ibid.

areas. In East Asia and the Pacific, the Middle East and North Africa, and Europe and Central Asia, 70 per cent, 76 per cent and 73 per cent, respectively, of the extreme poor are rural. Latin America and the Caribbean is the region where extreme poverty is more disproportionately rural, since 59 per cent of the extreme poor live in rural areas while people living in rural areas represent only about 20 per cent of the population.<sup>19</sup>

12. Of the 1.3 billion people worldwide who were estimated to be multidimensionally poor before the pandemic, 84.2 per cent lived in rural areas.<sup>20</sup> In every region, the incidence of multidimensional poverty is higher in rural areas than in urban areas, ranging from three times more in sub-Saharan Africa to over six times more in Latin America and the Caribbean.<sup>21</sup>

13. As a result of COVID-19, it is estimated that extreme poverty will affect between 6.7 per cent and 7 per cent of the world's population in 2030, more than double than predicted before the pandemic.<sup>22</sup> This crisis could also set multidimensional poverty levels back by 9.1 years, with an additional 490 million people falling into multidimensional poverty in 2020.<sup>23</sup>

14. The pandemic will worsen the already challenging situation of rural poverty in the world, particularly as the economic crisis deepens in many countries. Although the “new COVID-19 poor” have been estimated to be relatively more urban than those already poor before the crisis, the number of new poor generated by the crisis is larger in rural areas.<sup>24</sup>

15. At the beginning of the pandemic, it was hypothesized that rural areas would be hit relatively less in terms of poverty. Evidence is still emerging, however, on how COVID-19 has affected urban and rural areas differently. A few Latin American countries that have already released official information on monetary poverty after the COVID-19 crisis show mixed results.

16. Poverty remained nearly at the same level over the course of 2020 in rural areas of Colombia, the Dominican Republic, Costa Rica and Paraguay, while it increased in urban areas. In Uruguay, rural poverty increased slightly, but less than in urban areas. In Peru and Ecuador, poverty in rural areas increased substantially, but to a lower degree than in urban areas. The Plurinational State of Bolivia is an exception, where poverty increased in rural areas but remained almost unchanged in urban areas.<sup>25</sup>

17. On the other hand, results of high-frequency phone surveys collected by the World Bank across 27 countries in different regions show that the average proportion of households who reported a drop in income since the beginning of the pandemic was 62 per cent both in rural and urban areas (see figure I).<sup>26</sup>

<sup>19</sup> Ibid.

<sup>20</sup> United Nations Development Programme (UNDP) and Oxford Poverty and Human Development Initiative, “Global Multidimensional Poverty Index 2020: charting pathways out of multidimensional poverty – achieving the SDGs”, 2020.

<sup>21</sup> Ibid.

<sup>22</sup> World Bank, *Poverty and Shared Prosperity 2020*.

<sup>23</sup> UNDP and Oxford Poverty and Human Development Initiative, “Global Multidimensional Poverty Index 2020”.

<sup>24</sup> Minh Cong Nguyen and others, “Profiles of the new poor due to the COVID-19 pandemic”, 6 August 2020. These results are due to the fact that people living just above the poverty line before the pandemic were, on average, more urban compared with those who were already living in poverty.

<sup>25</sup> United Nations calculations based on official country data.

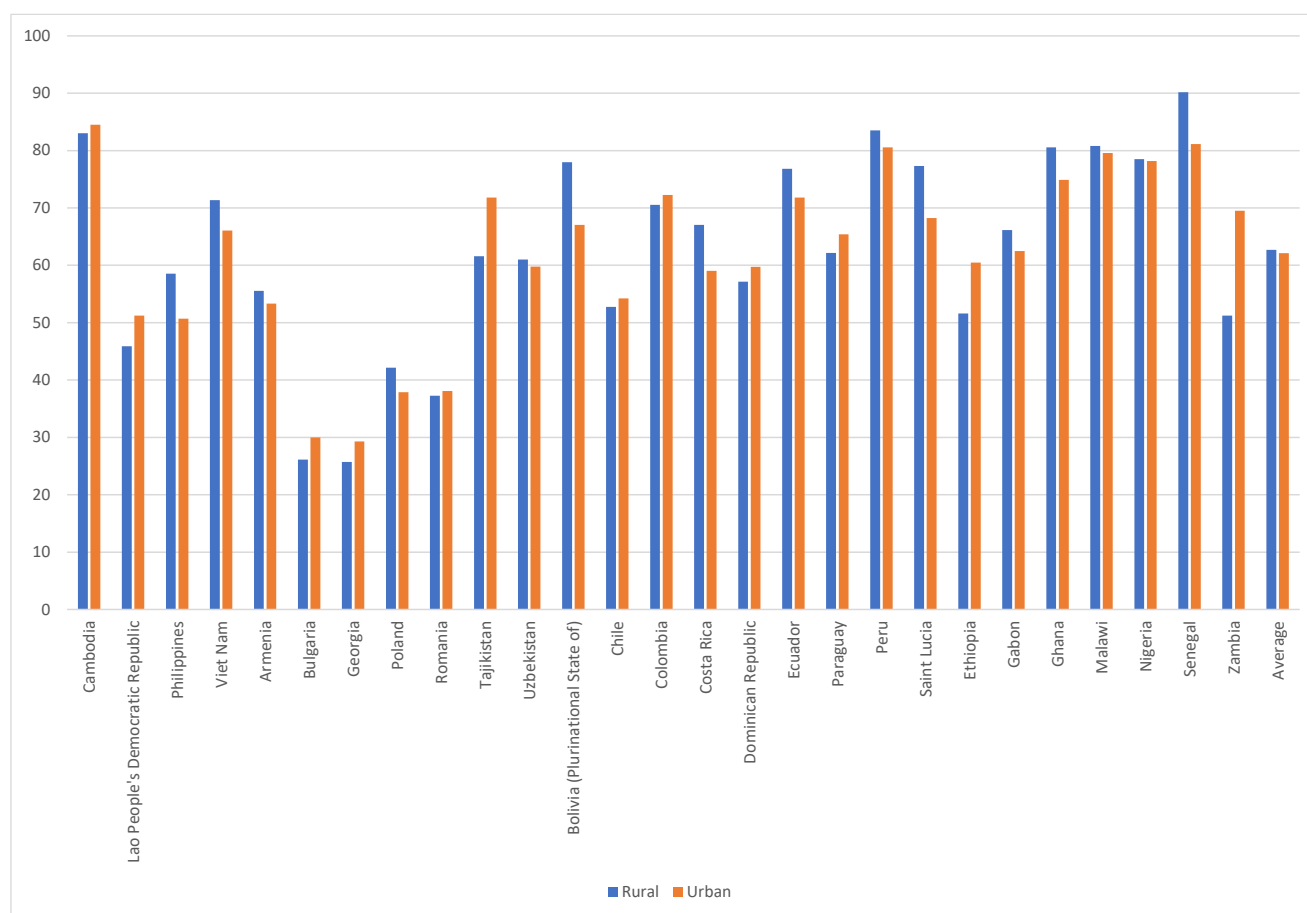
<sup>26</sup> United Nations calculations based on World Bank, COVID-19 Household Monitoring Dashboard, available at [www.worldbank.org/en/data/interactive/2020/11/11/covid-19-high-frequency-monitoring-dashboard](https://www.worldbank.org/en/data/interactive/2020/11/11/covid-19-high-frequency-monitoring-dashboard).

18. Non-farm family businesses have been the source of income for which the highest proportion of rural households reported a decrease in income since the beginning of the pandemic, followed by family farming, remittances and wage employment.<sup>27</sup>

19. Similarly, across 40 countries with data on loss of employment, the average share of those who reported to have stopped working after the beginning of the pandemic is 29 per cent in rural areas against 31 per cent in urban areas (see figure II).<sup>28</sup> Households who reported a decline in income or job loss during the pandemic were found to be significantly more likely to be food insecure.<sup>29,30</sup>

Figure I

**Percentage of households who experienced a decrease in total income since the beginning of the pandemic**



Source: United Nations calculations based on World Bank, COVID-19 Household Monitoring Dashboard.

Note: For each country, the percentage values refer to the month in which the first wave of the high-frequency phone survey was conducted in that country. As a result, values refer to different points in time. Almost all values refer to the period between April and August 2020. The only exception is Georgia, where the first wave was conducted in December 2020.

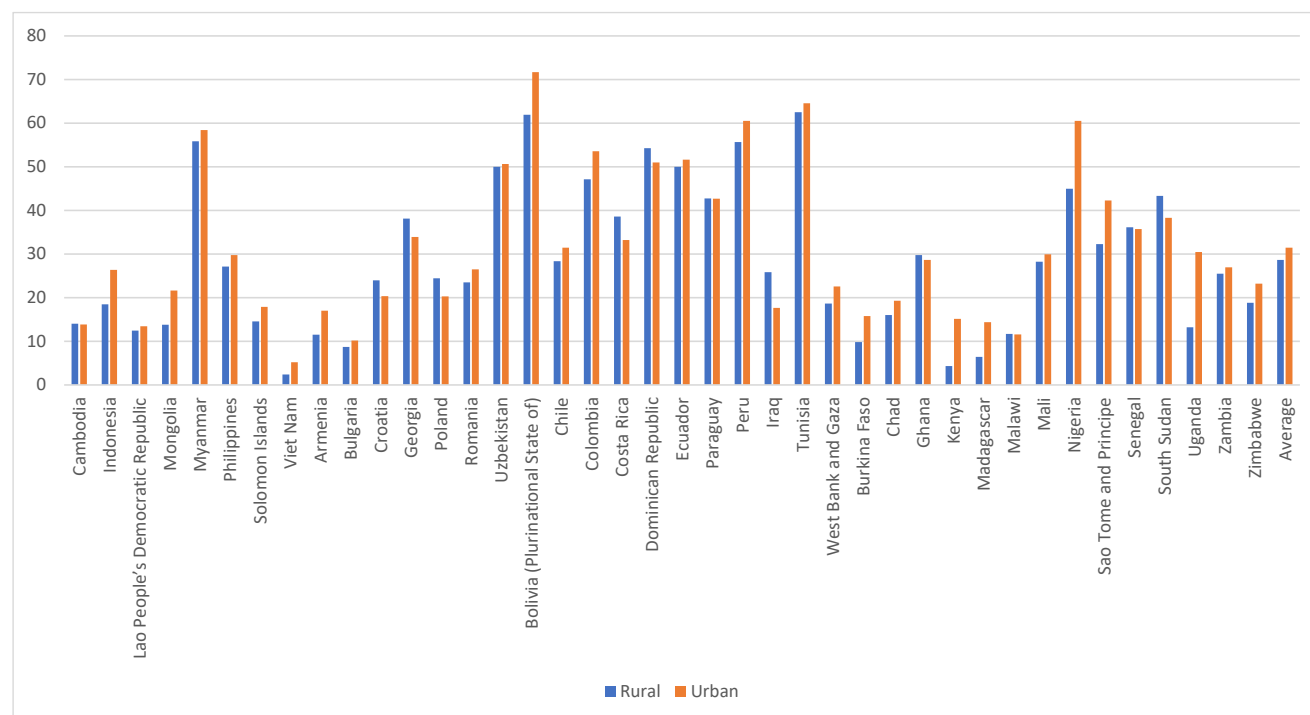
<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

<sup>29</sup> Tom Bundervoet, Marie E. Dávalos and Natalia Garcia, "The short-term impacts of COVID-19 on households in developing countries: an overview based on a harmonized data set of high-frequency surveys", Policy Research Working Paper, No. 9582 (World Bank, Washington, D.C., 2021).

<sup>30</sup> Dennis Egger and others, "Falling living standards during the COVID-19 crisis: quantitative evidence from nine developing countries", *Science Advances*, vol. 7, No. 6 (2021).

Figure II  
Percentage of respondents who have stopped working since the outbreak of COVID-19



Source: United Nations calculations based on World Bank, COVID-19 Household Monitoring Dashboard.

Note: For each country, the percentage values refer to the month in which the first wave of the high-frequency phone survey was conducted in that country. As a result, values refer to different points in time. Almost all values refer to the period between April and August 2020. The only exception is Georgia, where the first wave was conducted in December 2020.

### III. Towards the eradication of rural poverty: major gaps and challenges

#### A. Data

20. Harmonized information on global rural poverty remains a challenge, owing to incomparable national definitions of rurality and the lack of rural/urban-disaggregated price information. The COVID-19 pandemic has further complicated data collection.<sup>31</sup> At the national level, poverty estimates and profiles are often not disaggregated by urban and rural residence.

21. Representative poverty data for specific rural subsectors, including agricultural households involved in pastoralism, fisheries and forestry, need to be collected regularly in household surveys or agricultural censuses to enable more specific monitoring of rural populations and vulnerable groups and of progress in their access to services and employment.

22. Further disaggregation of data on men's and women's labour participation that relate to the economic subsectors of and types of employment (including formal and informal) in agrifood systems would allow for a more accurate global estimate of the

<sup>31</sup> United Nations, Department of Economic and Social Affairs, "COVID-19: How the data and statistical community stepped up to the new challenges", Policy Brief, No. 96 (March 2021).

role of agrifood systems in rural poverty reduction and rural women's economic empowerment.

23. On the positive side, advances in data generation and creative use of data are closing important data gaps.<sup>32</sup> Methods that combine household survey data and remote sensing data to profile poverty are becoming increasingly accessible and are increasingly used by Governments to target interventions. The response to COVID-19 is also accelerating the use of advanced prediction techniques that use unconventional data sources (e.g. spatial features and phone data).

## B. Education

24. The rural poor have a lower educational attainment than those in urban areas,<sup>33</sup> and exclusion from access to education owing to location, gender inequality and ethnicity persists. In sub-Saharan Africa, rural girls are seven times less likely than non-poor urban boys to complete school.<sup>34</sup> These trends will probably be exacerbated by the pandemic, as girls are more likely to be pulled out from school when shocks occur. In addition, reports of the increase in teenage pregnancies during the pandemic are very concerning.<sup>35</sup>

25. During 2020, the disruption to global education systems was unprecedented, with estimates that approximately 23.8 million children and youth may drop out or not have access to school in 2021 as a result of the pandemic alone.<sup>36</sup> This disruption could lead to an estimated loss of \$10 trillion to the global economy, with students from the affected generation losing \$16,000 in earnings over their lifetime.<sup>37</sup> School attendance was particularly affected in rural areas, with children less likely to continue learning,<sup>38</sup> partly explained by their lower access to televisions and the Internet.<sup>39,40</sup>

26. Education is a pillar of economic transformation, yet financing is extremely low in low-income countries.<sup>41</sup> Already before the onset of the pandemic, funding gaps in education were substantial, with low- and middle-income countries facing a gap of \$148 billion annually and the COVID-19 crisis potentially increasing the gap by a third.<sup>42</sup>

<sup>32</sup> World Bank, *World Development Report 2021: Data for Better Lives* (Washington, D.C., 2021).

<sup>33</sup> World Bank, *Poverty and Shared Prosperity 2020*.

<sup>34</sup> World Bank, *World Development Report 2018: Learning to Realize Education's Promise* (Washington, D.C., 2018).

<sup>35</sup> WHO, "School closures and teenage pregnancy", *Bulletin of the World Health Organization*, vol. 99, No. 1 (January 2021).

<sup>36</sup> United Nations, "Policy brief: education during COVID-19 and beyond", August 2020.

<sup>37</sup> World Bank, "COVID-19 could lead to permanent loss in learning and trillions of dollars in lost earnings", 18 June 2020.

<sup>38</sup> Bundervoet and others, "The short-term impacts of COVID-19".

<sup>39</sup> Television ownership rates among urban households are more than double those of rural households in 40 of the 88 countries for which data are available, with the largest disparities being in sub-Saharan Africa.

<sup>40</sup> In terms of Internet access at the global level, while about 72 per cent of households in urban areas had access to the Internet at home in 2019, only 38 per cent had that access in rural areas. In sub-Saharan Africa, only 6.3 per cent of rural households had any Internet access. See International Telecommunication Union (ITU), *Measuring Digital Development: ICT Price Trends 2019* (Geneva, 2020).

<sup>41</sup> UNICEF, *A World Ready to Learn. Prioritizing Quality Early Childhood Education* (New York, 2020).

<sup>42</sup> United Nations, "Policy brief: education during COVID-19 and beyond".

## C. Health

27. The rural poor are disproportionately affected by tropical diseases<sup>43</sup> and are at the centre of the human-animal interface, with zoonoses being a major risk factor for human disease.<sup>44,45</sup> In addition, in almost a quarter of all countries with data, agriculture appears among the top three sectors in terms of the share of fatal occupational injuries.<sup>46</sup>

28. Weaker health systems in rural areas are characterized by inadequacies in human resources for health (e.g. only 36 per cent of nurses are deployed in rural areas),<sup>47,48</sup> service availability and readiness, health information systems, health financing, the availability of essential medicines and governance.<sup>49</sup> In 2019, 9 per cent of health-care facilities in rural areas globally still had no water service, undermining capacity to conduct critical infection prevention and control practices.<sup>50</sup>

29. COVID-19 has exposed and magnified chronic underinvestment in health systems in rural disadvantaged areas.<sup>51</sup> Emerging evidence suggests that rural poor communities have also had their coverage for other services affected by the pandemic, from child health to HIV testing.<sup>52</sup> Global inequities in the distribution of COVID-19 vaccines, with the bulk of vaccines disproportionately available in high-income countries, further put at risk the health of the rural poor.

## D. Food security and nutrition

30. Rural areas tend to be characterized by higher food insecurity at the global level.<sup>53</sup> The prevalence of stunting is also higher in rural areas and in the poorest

<sup>43</sup> Jens Aagaard-Hansen and Claire Lise Chaignat, “Neglected tropical diseases: equity and social determinants”, in *Equity, Social Determinants and Public Health Programmes*, Erik Blas and Anand Sivasankara Kurup, eds. (Geneva, WHO, 2010).

<sup>44</sup> FAO, *World Livestock: Transforming the Livestock Sector through the Sustainable Development Goals* (Rome, 2018).

<sup>45</sup> FAO and others, “New international expert panel to address the emergence and spread of zoonotic diseases”, joint news release, 20 May 2021

<sup>46</sup> ILO, *Quick Guide on Sources and Uses of Statistics on Occupational Safety and Health* (Geneva, 2020).

<sup>47</sup> WHO, *State of the World’s Nursing 2020: Investing in Education, Jobs and Leadership* (Geneva, 2020).

<sup>48</sup> WHO, *WHO Guideline on Health Workforce Development, Attraction, Recruitment and Retention in Rural and Remote Areas* (Geneva, 2021).

<sup>49</sup> Theodora Koller, “Rural poverty and health services: challenges and gaps”, presentation at the Expert Group Meeting on Eradicating Rural Poverty to Implement the 2030 Agenda for Sustainable Development, Addis Ababa, March 2019.

<sup>50</sup> WHO and UNICEF, *Global Progress Report on WASH in Health Care Facilities: Fundamentals First* (WHO, Geneva, 2020).

<sup>51</sup> For examples, see Amjad Ali, Mumtaz Ahmed and Nazia Hassan, “Socioeconomic impact of COVID-19 pandemic: evidence from rural mountain community in Pakistan”, *Journal of Public Affairs*, art. No. e2355 (2020); Mark J. Siedner and others, “Access to primary healthcare during lockdown measures for COVID-19 in rural South Africa: an interrupted time series analysis”, *BMJ Open*, vol. 10, No. 10 (2020); and Kavita Singh and others, “Health, psychosocial, and economic impacts of the COVID-19 pandemic on people with chronic conditions in India: a mixed methods study”, *BMC Public Health*, vol. 21, No. 685 (2021).

<sup>52</sup> For examples, see Ali, Ahmed and Hassan, “Socioeconomic impact of COVID-19 pandemic”; and Siedner and others, “Access to primary healthcare during lockdown measures”.

<sup>53</sup> Michael D. Smith, Matthew P. Rabbitt and Alisha Coleman-Jensen, “Who are the world’s food insecure? New evidence from the Food and Agriculture Organization’s food insecurity experience scale”, *World Development*, vol. 93 (May 2017).



households.<sup>54</sup> The poorest households also experience higher obesity rates, both in developed and developing countries; globally, overweight rates have tripled since 1975.<sup>55</sup>

31. The world was off track in terms of meeting Sustainable Development Goal 2 already before the pandemic.<sup>56</sup> However, the pandemic resulted in an increase of around 1.5 percentage points in the prevalence of undernourishment in just one year. It is projected that between 720 million and 811 million people in the world faced hunger in 2020.<sup>57</sup> Beyond hunger, nearly one in three people in the world did not have access to adequate food in 2020.<sup>58</sup>

32. Globally, the pandemic has also resulted in an increase of the gender gap in food insecurity, with the prevalence of moderate and severe food insecurity being 10 per cent higher among women than men in 2020.

33. Across several regions, indigenous peoples have identified hunger as the main effect of the COVID-19 crisis,<sup>59</sup> owing to the combined effects of isolation, remoteness, lockdowns, the disruption of food value chains and the suspension of income-generating activities.

34. Given school closures, millions of children lost access to school meals.<sup>60</sup> It is estimated that the share of children lacking access to education or health services will increase from 47 per cent to 56 per cent as a result of the pandemic, representing 150 million more children.<sup>61</sup>

35. Eliminating poverty alone will not make healthy diets affordable for everyone. In terms of nutrition, healthy diets are unaffordable for about 40 per cent of the world's population, while about 20 per cent cannot even afford a diet that simply meets required levels of essential nutrients.<sup>62</sup> In all regions, the cost of a healthy diet is much higher than the international extreme poverty line of \$1.90 a day (calculated on the basis of purchasing power parity), varying between \$3.27 and \$4.57 a day.<sup>63</sup>

## E. Gender equality and inclusion of indigenous peoples

36. The COVID-19 pandemic will widen the gender poverty gap, with more women pushed into extreme poverty than men, particularly among those aged 25 to 34 years, at the height of their productive and family formation period.<sup>64</sup> Because of the pandemic, women were more likely to have stopped working, with 42 per cent of

<sup>54</sup> FAO and others, *The State of Food Security and Nutrition in the World: Transforming Food Systems for Affordable Healthy Diets* (Rome, FAO, 2020).

<sup>55</sup> See [www.who.int/news-room/fact-sheets/detail/obesity-and-overweight](http://www.who.int/news-room/fact-sheets/detail/obesity-and-overweight).

<sup>56</sup> FAO and others, *The State of Food Security and Nutrition in the World: Transforming Food Systems for Food Security, Improved Nutrition and Affordable Healthy Diets for All* (Rome, FAO, 2021).

<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

<sup>59</sup> FAO, "COVID-19 and indigenous peoples", 9 August 2020.

<sup>60</sup> ECLAC, "The social challenge in times of COVID-19", Special Report: COVID-19, No. 3 (May 2020).

<sup>61</sup> UNICEF and Save The Children, "Technical note: impact of COVID-19 on child poverty", September 2020.

<sup>62</sup> Anna Herforth and others, *Cost and Affordability of Healthy Diets across and within Countries: Background Paper for The State of Food Security and Nutrition in the World 2020*, FAO Agricultural Development Economics Technical Study, No. 9 (Rome, FAO, 2020).

<sup>63</sup> Ibid.

<sup>64</sup> Ginette Azcona and others, *From Insight to Action: Gender Equality in the Wake of COVID-19* (New York, UN-Women, 2020).

women having stopped compared with 31 per cent of men in the 34 countries analysed.<sup>65</sup>

37. The sudden increase in the demand for unpaid care associated with the COVID-19 response has exacerbated gender inequalities. The pandemic has also worsened domestic violence, putting rural women and girls at even more risk of experiencing violence.<sup>66</sup>

38. Rural women farmers are disproportionately affected by crises and the disruption of access to basic services and income-generating opportunities, with negative implications for food security and nutrition in households and communities.<sup>67</sup>

39. Indigenous peoples are particularly vulnerable to COVID-19.<sup>68</sup> Many indigenous communities are vulnerable to new diseases.<sup>69</sup> Relevant information about infectious diseases and preventive measures is not available in indigenous languages, prevention approaches often lack multicultural sensitivity and indigenous peoples have lower access to water and sanitation services than non-indigenous peoples.<sup>70</sup>

40. The encroachment of extractive industries – the mining, fossil fuel and agricultural industries – on indigenous lands has intensified during the past decade.<sup>71</sup> The instability created by the pandemic has undermined efforts by Governments to control illegal incursions into their territories.<sup>72</sup>

## F. Rural social protection systems and measures

41. Estimates made before the onset of the pandemic show that only 44 per cent of the global population receive at least one form of social protection<sup>73</sup> and only 29 per cent of the global population have access to comprehensive social security.<sup>74</sup> In terms of national social assistance, in Latin America and the Caribbean, 76 per cent of the poorest quintile have access to social assistance, while in sub-Saharan Africa, only a third of the same category of the population (who are mostly rural) are covered by at least one social assistance measure.<sup>75</sup> In rural areas, social protection coverage lags behind as a result of specific physical, legal, financial and administrative barriers that undermine the reach of social protection programmes and services in those areas.<sup>76</sup>

42. The expansion of social protection programmes globally<sup>77</sup> played a key role in mitigating the immediate impacts of COVID-19 on the livelihoods of the poor and

<sup>65</sup> Bundervoet and others, “The short-term impacts of COVID-19”.

<sup>66</sup> UN-Women, “COVID-19 and ending violence against women and girls”, 2020.

<sup>67</sup> See, for example, FAO, “Gendered impacts of COVID-19 and equitable policy responses in agriculture, food security and nutrition”, 15 May 2020; and Azcona and others, *From Insights to Action*.

<sup>68</sup> United Nations, Department of Economic and Social Affairs, “The impact of COVID-19 on indigenous peoples”, Policy Brief, No. 70 (May 2020).

<sup>69</sup> *The Impact of COVID-19 on Indigenous Peoples in Latin America (Abya Yala): Between Invisibility and Collective Resistance* (United Nations publication, 2020).

<sup>70</sup> Ibid.

<sup>71</sup> Gretchen Walters and others, “COVID-19, indigenous peoples, local communities and natural resource governance”, *PARKS*, vol. 27, special issue on COVID-19 (March 2021).

<sup>72</sup> *Social Panorama of Latin America, 2020* (United Nations publication, 2021).

<sup>73</sup> World Bank, *The State of Social Safety Nets 2018* (Washington, D.C., 2018).

<sup>74</sup> ILO, “Extending social protection to the rural economy”, 19 November 2019.

<sup>75</sup> World Bank, *The State of Social Safety Nets 2018*.

<sup>76</sup> ILO and FAO, *Extending Social Protection to Rural Populations. Perspectives for a Common FAO and ILO Approach* (Geneva, 2021).

<sup>77</sup> Ugo Gentilini and others, *Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures* (Washington, D.C., World Bank, 2020).

vulnerable,<sup>78,79</sup> including by reducing poverty in Brazil during the duration of the emergency cash transfer.<sup>80</sup> It is essential that the sustainability of such efforts be addressed, including through proper legal and financing frameworks, in order to offset the effects of the pandemic, particularly within lower-income countries.

43. Globally, more than half of the population in rural areas lack health coverage, compared with a fifth of the urban population.<sup>81</sup> Agricultural insurance remains limited, benefiting only 19 per cent of small-scale producers in developing countries, while over 218 million farmers are still uninsured.<sup>82</sup> In sub-Saharan Africa, coverage is less than 3 per cent.

## G. Agricultural development and rural livelihoods

44. About 2.7 billion people globally, more than a third of humanity, derive their livelihoods from small-scale food production.<sup>83</sup> Most of them are poor or extremely poor, with 76 per cent of workers in rural areas who are extremely poor being employed in the agricultural sector as their primary activity.<sup>84</sup> A greater proportion of indigenous peoples are employed by the sector, with about 55 per cent of the employed indigenous peoples working in agriculture compared with 27 per cent of non-indigenous peoples.<sup>85</sup>

45. About 40 per cent of the rural extreme poor globally live in forests and savannahs,<sup>86</sup> around two thirds of whom live in Africa. In Latin America, forest-dependent people represent about 82 per cent of the region's rural extreme poor.<sup>87</sup> In addition, it is estimated that about 85 per cent of pastoralists and 75 per cent of agro-pastoralists live below the extreme poverty line, a population that ranges between 200 million and 500 million worldwide, the vast majority living in sub-Saharan Africa.<sup>88</sup>

46. There is highly unequal distribution and growing concentration of farmland in some regions.<sup>89</sup> Small farms (of 2 hectares or less) represent 84 per cent of the total number of farms in the world, but they operate only 12 per cent of the total agricultural land. By contrast, the largest 1 per cent of farms (those of 50 hectares or more) operate more than 70 per cent of farmland.<sup>90</sup>

<sup>78</sup> International Policy Centre for Inclusive Growth, "What's next for social protection in light of COVID-19: country responses". *Policy in Focus*, vol. 19, No. 1 (March 2021).

<sup>79</sup> FAO, "The role of social protection in the recovery from COVID-19 impacts in fisheries and aquaculture", February 2021.

<sup>80</sup> World Bank, *The Gradual Rise and Rapid Decline of the Middle Class in Latin America and the Caribbean* (Washington, D.C., 2021).

<sup>81</sup> ILO, "Extending social protection to the rural economy".

<sup>82</sup> ISF Advisors, "Protecting growing prosperity: agricultural insurance in the developing world", September 2018.

<sup>83</sup> Jim Woodhill, Saher Hasnain and Alison Griffith, *Farmers and Food Systems: What Future for Small-Scale Agriculture?* (Oxford, Environmental Change Institute, University of Oxford, 2020).

<sup>84</sup> Andrés Castañeda and others, "A new profile of the global poor", *World Development*, vol. 101, issue C (2018).

<sup>85</sup> ILO, *Work for a Brighter Future: Global Commission on the Future of Work* (Geneva, 2019).

<sup>86</sup> FAO, *The State of the World's Forests 2018: Forest Pathways to Sustainable Development* (Rome, 2018).

<sup>87</sup> Ibid.

<sup>88</sup> Cornelis De Haan, ed., *Prospects for Livestock-Based Livelihoods in Africa's Drylands* (Washington, D.C., World Bank, 2016).

<sup>89</sup> Sarah K. Lowder, Marco V. Sánchez and Raffaele Bertini, "Which farms feed the world and has farmland become more concentrated?", *World Development*, vol. 142 (June 2021).

<sup>90</sup> Ibid.

47. The globalization of agrifood supply chains has significantly transformed agrifood systems, including the role played by, and agency of, small-scale producers.<sup>91</sup> Power has substantially shifted in globalized agrifood supply chains in favour of global buyers vis-à-vis producers, owing in part to diminished government capacities following structural adjustments and the inflow of agrifood multinationals into producing countries.<sup>92</sup>

48. Farm size, structural barriers, inequalities and power imbalances are limiting the participation of small-scale producers in modern food markets and global value chains because the substantial fixed costs required to participate in those chains are often beyond their reach.<sup>93</sup>

## H. Decent employment

49. Wage workers in the rural sector are usually the lowest paid.<sup>94</sup> Agricultural workers in particular are confronted with the seasonal nature of agricultural production and food processing. Those involved in agriculture as self-employed or paid labour often need to source other income-generating activities to sustain their livelihood strategies.<sup>95</sup> Agriculture has the highest informality rates in all regions.<sup>96</sup>

50. Technologies can increase productivity, reduce drudgery and the time burden, improve the livelihoods of farmers in developing economies and generate new employment opportunities in rural areas. Off-farm activities generated in the manufacture, maintenance and hiring of technological equipment, as well as information and communications technology (ICT) and digitalization, could offer rural populations more attractive off-farm job opportunities.<sup>97</sup>

51. Automation and machinery, however, can be detrimental to agricultural workers where agricultural labour is abundant and people struggle to switch to other sectors because of a lack of education and technological skills, even when the overall benefits to society are positive.<sup>98</sup>

<sup>91</sup> Joonkoo Lee, Gary Gereffi and Janet Beauvais, “Global value chains and agrifood standards: challenges and possibilities for smallholders in developing countries”, *Proceedings of the National Academy of Sciences of the United States of America*, vol. 109, No. 31 (July 2021); Thomas Reardon and C. Peter Timmer, “The economics of the food system revolution”, *Annual Review of Resource Economics*, vol. 4 (2012); and Thomas Reardon and others, “Rapid transformation of food systems in developing regions: highlighting the role of agricultural research and innovations”, *Agricultural Systems*, vol. 172 (June 2019).

<sup>92</sup> Lee, Gereffi and Beauvais, “Global value chains and agrifood standards”.

<sup>93</sup> FAO, *The State of Agricultural Commodity Markets 2020: Agricultural Markets and Sustainable Development – Global Value Chains, Smallholder Farmers and Digital Innovations* (Rome, 2020).

<sup>94</sup> Paul Winters and others, “Rural wage employment in developing countries”, 18 August 2008.

<sup>95</sup> Benjamin Davis, Stefania Di Giuseppe and Alberto Zezza, “Are African households (not) leaving agriculture? Patterns of households’ income sources in rural sub-Saharan Africa”, *Food Policy*, vol. 67 (February 2017).

<sup>96</sup> ILO, *Women and Men in the Informal Economy: A Statistical Picture*, 3rd ed. (Geneva, 2018).

<sup>97</sup> Santiago Santos Valle and Josef Kienzle, *Agriculture 4.0: Agricultural Robotics and Automated Equipment for Sustainable Crop Production*, Integrated Crop Management, vol. 24 (Rome, FAO, 2020).

<sup>98</sup> Zachariah Rutledge and J. Edward Taylor, “Economic and societal aspects”, in *Advanced Automation for Tree Fruit Orchards and Vineyards*, G. Vougioukas and Q. Zhang, eds. (forthcoming).

## I. Financial inclusion

52. In developing economies, bank account ownership is considerably lower in rural areas than in urban areas, with the majority of rural populations, especially women, relying on informal financial sources<sup>99</sup> and remaining largely “unbanked”, without an account at a financial institution or through a mobile money provider.<sup>100</sup> Commercial banks often hesitate to establish any presence in rural areas owing to the lack of infrastructure and the risky nature of agriculture.<sup>101</sup>

53. Digital finance can help to increase financial inclusion in rural areas; however, about a quarter of the population in the least developed countries and landlocked developing countries and about 15 per cent of the population in small island developing States do not have access to a mobile broadband network. In the least developed countries, 17 per cent of the rural population have no mobile coverage at all and 19 per cent of the rural population are only covered by a 2G network.<sup>102</sup>

## J. Climate change

54. The effects of climate change, together with natural resource degradation, continue to increasingly affect the livelihoods of the rural poor. Crop yields are expected to decline by 8 per cent by the 2050s in Africa and Asia, affecting the livelihoods and food and nutrition security of millions of small-scale producers.<sup>103</sup>

55. Mitigating and adapting to climate change will be costly, particularly for farmers and rural populations. There is increasing concern, however, that climate-financed projects often generate more vulnerability across already vulnerable populations,<sup>104</sup> owing to several factors involving inequalities in stakeholder participation, top-down design approaches and the “retrofitting” of development agendas by donors and governments.

56. Adaptation projects often fall short in creating the necessary social and economic incentives for communities to adopt climate-smart practices or foster the sustainability of restoration investments, including through the creation of strong forward and backward linkages between restored livelihoods and the rest of the economy.<sup>105</sup>

57. Projects do not sufficiently address the constraints on farming households, including time and resources used in their overall livelihood options, as well as decisions influenced by their risk management strategies. Initial conditions related to their access to productive resources, adequate living conditions, infrastructure, social protection and additional support and incentives will determine the extent to which farmers can adapt new practices, diversify their livelihoods and take risks.

<sup>99</sup> Asli Demirgüç-Kunt and others, *The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution* (Washington, D.C., World Bank, 2017).

<sup>100</sup> Ibid.

<sup>101</sup> International Fund for Agricultural Development (IFAD), *Inclusive Financial Services for the Poor: Evaluation Synthesis* (Rome, 2019).

<sup>102</sup> Africa and the countries in the Commonwealth of Independent States are the regions facing the biggest gaps, where 23 per cent and 11 per cent of the population, respectively, have no access to a mobile broadband network. See ITU, *Measuring Digital Development*.

<sup>103</sup> Tim Wheeler and Joachim von Braun, “Climate change impacts on global food security”, *Science*, vol. 341, No. 6145 (August 2013).

<sup>104</sup> Siri Eriksen and others, “Adaptation interventions and their effect on vulnerability in developing countries: help, hindrance or irrelevance?”, *World Development*, vol. 141 (May 2021).

<sup>105</sup> Rachid Serraj and Prabhu Pingali, eds., *Agriculture and Food Systems to 2050: Global Trends, Challenges and Opportunities* (Singapore, World Scientific Publishing, 2018).

## K. Rural institutions

58. Rural organizations play multiple roles in delivering services, articulating demands and representing their communities and members in policy dialogue and development processes. Their participation, however, is often constrained by weak internal governance and lack of the capacities and skills needed to carry out these functions effectively. Appraising the capacities of local actors and defining organizational development needs and skill gaps should be a starting point for building relevant institutions, empowering the poor and developing capacities for meaningful participation.

59. Rural organizations, cooperatives, producer associations and self-help groups are examples of institutions that improve service provision to their members and communities. They also build autonomy and ownership of solutions to local challenges and enhance participation, networking and gender equality.<sup>106</sup>

## L. Policy coherence and financing of rural poverty eradication

60. Debt relief or suspension can create substantial public fiscal space for countries to increase social investments. In 2019, however, before the pandemic, 25 countries already spent a higher ratio of total government expenditure on debt service than on social protection, health and education combined.<sup>107</sup>

61. Agrifood system transformation remains largely underfunded. Investments in support of small-scale producers would need to reach about \$240 billion annually to meet the production needs of small-scale farmers and cover non-agricultural expenses.<sup>108</sup>

62. One important source of funding for rural areas is climate finance directed at agriculture, forestry and land use, yet it only reached \$20 billion per year in 2017 and 2018, or only 3 per cent of the total tracked global climate finance for the period.<sup>109</sup> Of that amount, small-scale agriculture obtains about half, with close to \$10 billion, or 1.7 per cent, of the total climate finance.

63. Rural areas are still lacking major investments in basic services and infrastructure for developing industry and addressing the digital divide. An enabling regulatory environment that addresses the digital divide and makes the socioeconomic case for digitalization of the agrifood system is required to tap into potential private sector investors and start-up businesses.<sup>110</sup>

64. Road infrastructure and the associated provision of safe and affordable transport services in rural areas has a positive impact on social and economic development, reducing poverty, increasing food security and productivity and lessening the

<sup>106</sup> FAO, “Strengthening rural institutions and empowering people to reduce poverty and inequalities”, 2018.

<sup>107</sup> UNICEF, “COVID-19 and the looming debt crisis: protecting and transforming social spending for inclusive recoveries”, Innocenti Policy Brief Series, No. 2021-01 (April 2021).

<sup>108</sup> Matt Shakhovskoy, Clara Colina and Mikael Clason Höök, *Pathways to Prosperity. Rural and Agricultural Finance State of the Sector Report* (Washington, D.C., ISF Advisors and Mastercard Foundation Rural and Agricultural Finance Learning Lab, 2019).

<sup>109</sup> Daniela Chiriac and Baysa Naran, *Examining the Climate Finance Gap for Small-Scale Agriculture* (Climate Policy Initiative and IFAD, 2020).

<sup>110</sup> Nikola M. Trendov, Samuel Varas and Meng Zeng, “Digital technologies in agriculture and rural areas: briefing paper”, 2019.

experience of hunger.<sup>111,112,113</sup> Nearly 1 billion rural residents, or approximately 68 per cent of the world's rural population, however, still do not have all-season access to road networks.<sup>114</sup>

65. When they are inclusive, investments in digital technologies can facilitate access to social protection and basic services,<sup>115</sup> as well as markets and employment opportunities.<sup>116</sup>

#### **IV. Eradicating rural poverty within the context of the Secretary-General's decade of action to deliver the Sustainable Development Goals**

66. Action must be bold to achieve Sustainable Development Goal 1. It is imperative that Governments continue the investment made in expanding social protection systems while implementing policies that are focused on employment generation, access to services and building up basic infrastructure in rural areas, with the support and engagement of civil society, the private sector and funding partners.

67. The expansion of social protection in rural areas is key to ensuring a minimum income that enables poor households to manage risk and to promoting food security and economic inclusion. In response to COVID-19, countries including South Africa, the Philippines, Brazil and Peru<sup>117</sup> successfully expanded their social protection schemes through spending reallocation or utilization of State reserves or with the support of international financial institutions.<sup>118</sup>

68. Investment in social protection systems that can provide quick support in case of severe income shocks needs to be prioritized.<sup>119</sup> In addition, the adaptation of social protection systems to the different risks and nature of rural occupations, including the working conditions of fishers, forest-dependent communities, pastoralists and migrant labourers, is key to extending coverage in rural areas.<sup>120</sup>

69. Investments in identification systems are central to ensuring access by the poor and extreme poor to social and economic services, including social protection, yet significant gaps still exist, including in terms of birth registration.<sup>121</sup>

<sup>111</sup> Asian Development Bank, *Impact of Rural Roads on Poverty Reduction: A Case Study Based Analysis*, IES: REG 2002-15 (2002).

<sup>112</sup> Atushi Iimi and others, "New Rural Access Index: main determinants and correlation to poverty", Policy Research Working Paper, No. 7876 (Washington, D.C., World Bank, 2016).

<sup>113</sup> Africa Community Access Programme, *Rural Logistics for Smallholder Farmers to Meet New Agricultural Market Demands: A Planning Framework for Improving the Efficiency of Transport Services in the High Value Agricultural Sub-Sector, Replicable in Other Value Chains*, Project AFCAP/GEN/060: Work Package 3 (Deliverable 5) Report (2013).

<sup>114</sup> Iimi and others, "New Rural Access Index".

<sup>115</sup> United Nations, "Policy brief: education during COVID-19 and beyond".

<sup>116</sup> Trendov, Varas and Zeng, "Digital technologies in agriculture and rural areas".

<sup>117</sup> *Social Panorama of Latin America, 2020*.

<sup>118</sup> Mohamed Almenfi and others, "Where is the money coming from? Ten stylized facts on financing social protection responses to COVID-19", Social Protection and Jobs Policy and Technical Note, No. 23 (Washington, D.C., World Bank, 2020).

<sup>119</sup> Thomas Bowen and others, *Adaptive Social Protection: Building Resilience to Shocks* (Washington, D.C., World Bank, 2020).

<sup>120</sup> Andrew Mundalo Allieu and Ana Ocampo, *On the Path to Universal Coverage for Rural Populations: Removing Barriers of Access to Social Protection* (Rome, FAO, 2019).

<sup>121</sup> See <https://unstats.un.org/unsd/demographic-social/crvs/>.

70. Financial inclusion unlocks development opportunities and improves lives, especially for the rural poor.<sup>122</sup> Financial technology innovations have opened up new ways for people living in rural areas to access financial services.<sup>123</sup> All of these options require strong ICT infrastructure, appropriate regulation, consumer protection and high levels of digital literacy in rural areas.

71. While digital technologies have the potential to deliver economic benefits through increased agricultural productivity, cost efficiency and market opportunities, the rural digital divide must be addressed in terms of access, content and capabilities.<sup>124,125</sup>

72. Successful country experiences in poverty eradication, including in the Republic of Korea, China, Viet Nam and Thailand, underscore the fundamental role of investing in and ensuring equal access to human capital assets, such as education and health. Universal access to quality education and health-care services increases the returns to both land and labour, which are often the main assets of the poor in rural areas.<sup>126</sup>

73. Education has a direct impact not only on the employability and productivity of individuals,<sup>127</sup> but also on the enhancement of food security and nutrition.<sup>128</sup> Investing in education fosters a sustainable transition out of poverty by expanding income-generating opportunities in the non-agricultural sectors and is central to eliminating child labour,<sup>129</sup> which globally is concentrated in the agricultural sector.<sup>130</sup>

74. Investments in key community determinants of health, such as safe cooking fuels, improved water and sanitation and improved irrigation systems, help to build rural economies while improving health, including by preventing future disease outbreaks. Early investment by Mongolia in basic social infrastructure played a key role in the country's successful response to COVID-19.<sup>131</sup>

75. Economic inclusion programmes have demonstrated positive impacts on income, savings and assets by combining social safety nets, livelihood and job interventions and financial inclusion.<sup>132</sup> Such programmes are most successful when linked to national priorities and plans, in terms of coverage and potential to scale up.<sup>133</sup>

<sup>122</sup> United Nations, Special Advocate of the Secretary-General for Inclusive Finance for Development, "Financial inclusion – beyond access and usage to quality", September 2020.

<sup>123</sup> Niclas Benni, *Digital Finance and Inclusion in the Time of COVID-19: Lessons, Experiences and Proposals* (Rome, FAO, 2021).

<sup>124</sup> Sophie Treinen and Alice Van der Elstraeten, *Gender and ICTs: Mainstreaming Gender in the Use of Information and Communication Technologies (ICTs) for Agriculture and Rural Development* (Rome, FAO, 2018).

<sup>125</sup> ECLAC, "Universalizing access to digital technologies to address the consequences of COVID-19", Special Report: COVID-19, No. 7 (August 2020).

<sup>126</sup> Eric Oduro-Ofori and others, "Effects of education on the agricultural productivity of farmers in the Offinso municipality", *International Journal of Development Research*, vol. 4, No. 9 (September 2014).

<sup>127</sup> UNICEF, *The Investment Case for Education and Equity* (New York, 2015).

<sup>128</sup> UNICEF, *State of the World's Children 2019: Children, Food and Nutrition – Growing Well in a Changing World* (New York, 2019).

<sup>129</sup> FAO, *FAO Framework on Ending Child Labour in Agriculture* (Rome, 2020).

<sup>130</sup> Javier Báez, Alan Fuchs and Carlos Rodríguez-Castelán, *Shaking Up Economic Progress: Aggregate Shocks in Latin America and the Caribbean* (Washington, D.C., World Bank, 2017). New ILO global estimates on child labour were scheduled to be released in June 2021.

<sup>131</sup> Mariana Mazzucato and others, *COVID-19 and the Need for Dynamic State Capabilities: An International Comparison* (New York, UNDP, 2021).

<sup>132</sup> Colin Andrews and others, *The State of Economic Inclusion Report 2021: The Potential to Scale* (Washington, D.C., World Bank, 2021).

<sup>133</sup> Ibid.



76. Countries should work towards ensuring a minimum infrastructure coverage in rural areas to stimulate household livelihoods.<sup>134</sup> As exemplified by the Expanded Public Works Programme of South Africa,<sup>135</sup> stimulus planning through the creation of public works that target disadvantaged rural areas can increase employment in the short and longer term, address inequalities in access to services and infrastructure and generate socioeconomic multipliers.

77. Internet access and ownership of ICT such as mobile phones have become essential for people in rural areas to reduce isolation and leverage family solidarity when economic shocks occur, as well as for increasing access to information and services. Access to these services can also help those living in rural areas to find employment and lead to wider citizen participation in democratic processes.

78. The goal of eradicating poverty in rural areas cannot be separated from the climate mitigation and adaptation efforts and from the food systems transformation agenda.<sup>136</sup> Ensuring fair markets that enable the participation of smallholder farmers in food systems, particularly in value chains where small-scale producers have a comparative advantage, will continue to be important for both the sustainability of the food system and for poverty reduction in rural areas.<sup>137</sup>

79. One way of enhancing the participation of smallholders in agricultural markets is through contract farming. Welfare benefits will depend specifically on the nature of contract schemes and on the bargaining power of farmers to shape those contracts.<sup>138, 139</sup> Ensuring sustained participation in contract farming and other emerging value chain schemes will be necessary to reduce rural poverty.

80. Land redistribution policies have played a fundamental role in poverty reduction and economic growth, including in China, Viet Nam and Thailand.<sup>140</sup>

81. However, pursuing the same pathway may prove difficult. Urbanization and the need to mitigate climate change and biodiversity losses are increasing competition for land use. Pro-poor credit reforms can improve access to capital for poorer and small-scale producers, reducing inequalities in access to assets and leading to similar effects, such as land redistribution.<sup>141</sup> Increasing land tenure security can foster investments by small farms in production by reducing risk.<sup>142,143</sup>

82. Environmentally focused interventions that seek to enhance the benefits of ecosystems and local knowledge offer important opportunities for marginalized

<sup>134</sup> Ricardo Fort, “Infraestructura rural mínima para prosperar”, 2030 – Alimentación, agricultura y desarrollo rural en América Latina y el Caribe, No. 21, (Santiago, FAO, 2019).

<sup>135</sup> FAO, “Public employment programmes in the time of COVID-19”, 25 August 2020.

<sup>136</sup> International Food Policy Research Institute, *2021 Global Food Policy Report: Transforming Food Systems after COVID-19* (Washington, D.C., 2021).

<sup>137</sup> FAO, *The State of Agricultural Commodity Markets 2020*.

<sup>138</sup> Ibid.

<sup>139</sup> Ibid.

<sup>140</sup> Indermit S. Gill, Ana Revenga and Christian Zeballos, “Grow, invest, insure: a game plan to end extreme poverty by 2030”, Policy Research Working Paper, No. 7892 (Washington, D.C., World Bank, 2016).

<sup>141</sup> Mark W. Rosegrant, Shenggen Fan and Keijiro Otsuka, “Global issues in agricultural development”, in *Agricultural Development: New Perspectives in a Changing World*, Keijiro Otsuka and Shenggen Fan, eds. (Washington, D.C., International Food Policy Research Institute, 2021).

<sup>142</sup> Timothy Besley, “Property rights and investment incentives: theory and evidence from Ghana”, *Journal of Political Economy*, vol. 103, No. 5 (October 1995).

<sup>143</sup> Gershon Feder, Tongroj Onchan and Yongyuth Chalamwong, “Land policies and farm performance in Thailand’s forest reserve areas”, *Economic Development and Cultural Change*, vol. 36, No. 3 (April 1988).

communities, particularly those relying on small-scale agricultural activities who will be largely left out of more industrialized agricultural systems.<sup>144</sup>

83. Climate-related interventions should also create the necessary social and economic incentives for communities to adopt climate-smart practices or foster the sustainability of restoration investments, including through the creation of strong forward and backward linkages between restored livelihoods and the rest of the economy.<sup>145</sup>

84. Circular economy strategies,<sup>146,147</sup> involving the reuse of materials and products several times, can have important economic, environmental and social outcomes, including reducing production costs and creating new investment and employment opportunities, while reducing emissions and greenhouse gases, among other things.<sup>148</sup>

85. Gender equality and women's empowerment are fundamental to realizing rural economic development; gender-sensitive social and economic policies should be focused on structural constraints and key drivers of exclusion that women still face, including in terms of employment opportunities,<sup>149</sup> on designing gender-sensitive social protection<sup>150</sup> and on ensuring access to financial services.

86. A gender-transformative approach to policies and development plans is needed to address the root causes of gender inequalities, including power imbalances and gender roles, dynamics and norms. Investing in collecting and analysing gender-disaggregated data is also of significant importance to better evaluate and understand gender-based vulnerabilities and inequities to better inform policy and address such inequities.<sup>151</sup>

87. Supporting indigenous food systems is important to ensure inclusive multicultural diets and diverse perspectives on food. For example, indigenous food guides could help indigenous food systems and associated knowledge and perspectives to be rediscovered and to contribute to improving current and future food security.<sup>152</sup> Indigenous peoples already have highly functional traditional food systems and play a major role in conserving natural resources.<sup>153</sup>

## V. Conclusions and recommendations

88. Eradicating rural poverty and investing in agriculture are key to achieving Sustainable Development Goal 1. Eradicating rural poverty requires systematic social and economic changes and multisectoral policies that address structural inequalities. The transformation towards more inclusive and sustainable food systems is central to building back better from COVID-19 and achieving the 2030 Agenda for Sustainable Development. Member States may wish to consider:

<sup>144</sup> Edward Barbier, "Is green rural transformation possible in developing countries?", *World Development*, vol. 131, issue C (2020).

<sup>145</sup> Serraj and Pingali, eds., *Agriculture and Food Systems to 2050*.

<sup>146</sup> UNIDO, "Circular economy", 2017.

<sup>147</sup> UNIDO, "Industrial resource efficiency division and circular economy", 2019.

<sup>148</sup> UNIDO, "Circular economy and the Montreal Protocol division", 2019.

<sup>149</sup> ILO, "The gender gap in employment: what's holding women back?", March 2018.

<sup>150</sup> FAO, *FAO Technical Guide 1: Introduction to Gender-Sensitive Social Protection Programming to Combat Rural Poverty – Why is it Important and What Does it Mean?* (Rome, 2018).

<sup>151</sup> Azcona and others, *From Insight to Action*.

<sup>152</sup> Taylor Wilson and Shailesh Shukla, "Pathways to revitalization of indigenous food systems: decolonizing diets through indigenous-focused food guides", *Journal of Agriculture, Food Systems, and Community Development*, vol. 9, No. 4 (2020).

<sup>153</sup> FAO, "COVID-19 and indigenous peoples".

- (a) Reinforcing the role of and action by governments at all levels in designing and implementing transformative multisectoral policies to eradicate rural poverty. Countries should design inclusive rural investment plans that ensure decent employment and income-generating opportunities, access to social protection, quality services, public institutions and infrastructure, appropriate rural-urban linkages and equitable access to and sustainable management of natural resources;
- (b) Increasing investments in human and social capital to address structural inequalities, including gender inequalities, in order to eradicate poverty and child labour;<sup>154</sup>
- (c) Expanding social protection coverage in rural areas. Countries should embed the extension of social protection in policy and legal frameworks to ensure the sustainability of the programmes and political commitment to them, underpinned by investments in civil registration to ensure that everyone has identification. Building coherence between social protection and agricultural policies and combining social protection instruments with livelihood interventions and access to services and finance can further promote the economic inclusion of the rural poor;
- (d) Renewing efforts towards achieving more inclusive and sustainable agrifood systems. Addressing potential trade-offs between economic growth and nutrition and sustainability concerns and strengthening policies that support small-scale producers in engaging in agrifood system value chains and gaining access to productive services, particularly at territorial level, is of the essence;
- (e) Building up basic infrastructure in rural areas by addressing sustainability concerns and local governance priorities, including integrating communities' rights and demands;
- (f) Designing gender- and child-sensitive social and economic policies to focus on structural constraints and key drivers of exclusion that women still face, including in terms of employment opportunities, access to education and health and access to financial services, and creating quality care jobs to address the inequities of unpaid care work;
- (g) Leveraging the contribution of the private sector (from multinational to small and medium-sized enterprises, associations and small producers) to rural development;
- (h) Recognizing and strengthening indigenous peoples' rights to communal lands and natural resource rights and their central role in conserving natural resources and promoting sustainable food systems.

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<sup>154</sup> See General Assembly resolution [73/327](#).