



General Assembly

Distr.: General
20 July 2020

Original: English

Seventy-fifth session

Item 23 (c) of the provisional agenda*

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 [74/237](#) and contains an examination of the current state of rural poverty and the gaps and challenges in eradicating it, especially in developing countries, as well as policy recommendations to overcome the numerous gaps and challenges.

* [A/75/150](#).



I. Introduction: addressing rural poverty as a key lever to achieve the 2030 Agenda for Sustainable Development

1. In September 2019, the Secretary-General launched a decade of action to deliver the Sustainable Development Goals by 2030.¹ Countries and development partners were urged to scale up a minimum set of investments as a precondition to making possible the eradication of extreme poverty. All actors were called upon to take ownership of the Goals and respond with urgent and ambitious efforts.
2. The socioeconomic impacts of the novel coronavirus disease (COVID-19) pandemic add urgency to the call to galvanize action and delivery of the Goals and to the eradication of poverty, in particular in rural areas.
3. Considering that about 80 per cent of the extreme poor live in rural areas² and approximately 70 per cent of Goal targets relate to rural areas,³ achieving the 2030 Agenda for Sustainable Development requires greater focus on rural development. In this context, the General Assembly, in its resolution 74/237, reiterated the urgent need to accelerate the pace of rural poverty eradication and requested the Secretary-General to submit to the Assembly at its seventy-fifth session a report on the status of the implementation of and follow-up to the resolution, identifying progress achieved, gaps and the means of implementation to address the issue.⁴

II. State of rural poverty and progress achieved

4. While global progress in poverty reduction has been remarkable, poverty is still far from eradicated. The proportion of the global population living in extreme poverty (living below \$1.90 a day in terms of the 2011 purchasing power parity) fell from 36 per cent in 1990 to 10 per cent in 2015,⁵ yet 736.7 million people still lived in extreme poverty in 2015.⁶ When considering other non-monetary dimensions of poverty, about 10.5 per cent of the population of developing countries is severely multidimensionally poor.⁷
5. Based on the international poverty line of \$1.90 a day, the share of rural inhabitants in developing countries that live in extreme poverty is three times higher

¹ See www.un.org/sustainabledevelopment/decade-of-action/.

² Andrés Castañeda and others, “Who are the poor in the developing world?”, Policy Research Working Paper, No. 7844 (Washington, D.C., World Bank, 2016).

³ 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, Food and Agriculture Organization of the United Nations (FAO), 2019).

⁴ The present report was prepared by the secretariat of FAO in close collaboration with the Department of Economic and Social Affairs of the Secretariat and contains inputs from the World Health Organization (WHO), the International Organization for Migration (IOM), 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 and the United Nations Industrial Development Organization.

⁵ Updated figures to be released in September 2020 by the World Bank.

⁶ World Bank, *Poverty and Shared Prosperity 2018: Piecing Together the Poverty Puzzle* (Washington D.C., 2018).

⁷ United Nations Development Programme and Oxford Poverty and Human Development Initiative, “Global multidimensional poverty index 2019: illuminating inequalities”, 2019. In a total of 101 countries surveyed, 23.1 per cent of the population live in multidimensional poverty (comprising severe and moderate poverty).

than the share of those living in urban areas.⁸ When considering moderate poverty, over 46 per cent of the global rural population is poor, compared with approximately 16 per cent of the global urban population.⁹

6. In least developed countries, a significant majority of the poor live in rural areas. Based on national poverty lines, more than 80 per cent of the poor live in rural areas in Afghanistan, Lesotho, Madagascar, Myanmar, the Niger, Nepal and Zambia.¹⁰

7. The current pandemic hampers the prospects of achieving Goal 1 targets and has reversed progress made in recent years. In June 2020, the World Bank predicted a contraction in global gross domestic product (GDP) of between 5.2 and 8 per cent in 2020.¹¹ On the basis of these forecast scenarios, the World Bank estimated that COVID-19 could push an additional 71 million to 100 million people into extreme poverty in 2020, leading, for the first time since 1998, to an increase in the share of the world's population living on less than \$1.90 per day.¹²

8. While the economic contraction has been greater for more developed countries so far, more people in less developed countries live in poverty or are closer to falling into poverty, meaning that low- and middle-income countries will be worst hit in terms of poverty increase. The World Bank estimates that, in South Asia, between 32 million and 42 million people will be pushed into poverty, along with between 26 million and 39 million people in sub-Saharan Africa.

9. While COVID-19 initially hit urban areas in most countries, the economic impact was immediately felt in rural areas.¹³ Travel and transport restrictions disrupted economic activity and food systems in terms of agricultural production, food supply chains and the movement of labour. Producers in many countries have encountered difficulties in gaining access to inputs and markets. Limits on the movement of seasonal and migrant workers have led to labour shortages and lost income for agricultural wage workers, which also has had a ripple effect on their families and communities.

10. Nearly 1.3 billion people are formally employed in the food systems sector, and an additional nearly 3.2 billion people, including the self-employed and those in informal, migrant and seasonal labour, depend on food systems for their livelihoods. About 35 per cent of formal jobs in the food systems sector and 34 per cent of livelihoods related to food systems are at risk because of COVID-19.¹⁴ Tourism has been heavily affected, a sector that is an important source of income for the rural poor and creates demand for locally produced foodstuffs.

11. Figures I to IV illustrate the most recent available rural poverty headcount ratios at national poverty lines for all least developed countries, landlocked developing countries and small island developing States for which data are available, as well as Latin America. Latin America is singled out in the present report because the majority of the countries in the region disseminate up-to-date rural poverty headcounts. Owing to COVID-19, the figures are likely to change significantly in some countries.

⁸ Over 18 per cent of rural inhabitants in developing countries live in extreme poverty, compared with almost 6 per cent of urban residents (Castañeda and others, "Who are the poor in the developing world?").

⁹ Castañeda and others, "Who are the poor in the developing world?".

¹⁰ Data based on national statistics.

¹¹ World Bank, *Global Economic Prospects: June 2020* (Washington D.C., 2020).

¹² Daniel Gerszon Mahler and others, "Updated estimates of the impact of COVID-19 on global poverty", World Bank, 8 June 2020.

¹³ FAO, "COVID-19 and rural poverty: supporting and protecting the rural poor in times of pandemic", policy brief, Rome, 28 April 2020.

¹⁴ United Nations, "Policy brief: the impact of COVID-19 on food security and nutrition", June 2020.

12. National rural poverty headcount ratios exceed 50 per cent in Burundi, Chad, the Congo, Honduras, Lesotho, Malawi, Mexico, Mozambique and the Niger and exceed 70 per cent in Djibouti, Haiti, Zambia and Zimbabwe.

13. After being deeply affected by extreme droughts from 2016 onwards, Ethiopia, Kenya, Somalia and other countries in sub-Saharan Africa now face a food security emergency caused by the desert locust, which, together with the current COVID-19 pandemic, will likely push more people deeper into poverty. In several other countries in sub-Saharan Africa, including Chad, Mali and the Niger, extreme poverty in rural areas is driven by conflict, resource scarcity, vulnerability to climate change and high fertility rates and age dependency ratios.

14. In Asia, despite a significant reduction in extreme poverty, the share of rural people who live in poverty is still large. Based on national poverty headcounts, around one third of the rural population is poor in Afghanistan, the Lao People's Democratic Republic, Mongolia and Nepal (see figures I and III). The national poverty estimates in India for 2011–2012 reveal that 27 per cent of the population living in small villages and 19 per cent of the population living in large villages were poor.¹⁵

15. In the Middle East and North Africa, the proportion of poor people is generally low, but substantial poverty exists within rural areas, and it was the only region where poverty rates increased between 2011 and 2015.¹⁶

16. Information on poverty in small island developing States, in particular in countries with larger rural populations, is scarce. In Haiti, one of the poorest countries in the world, the great majority of the rural population is poor. Half of the rural population is poor in the Comoros and almost half of the rural population is poor in Timor-Leste (see figure II).

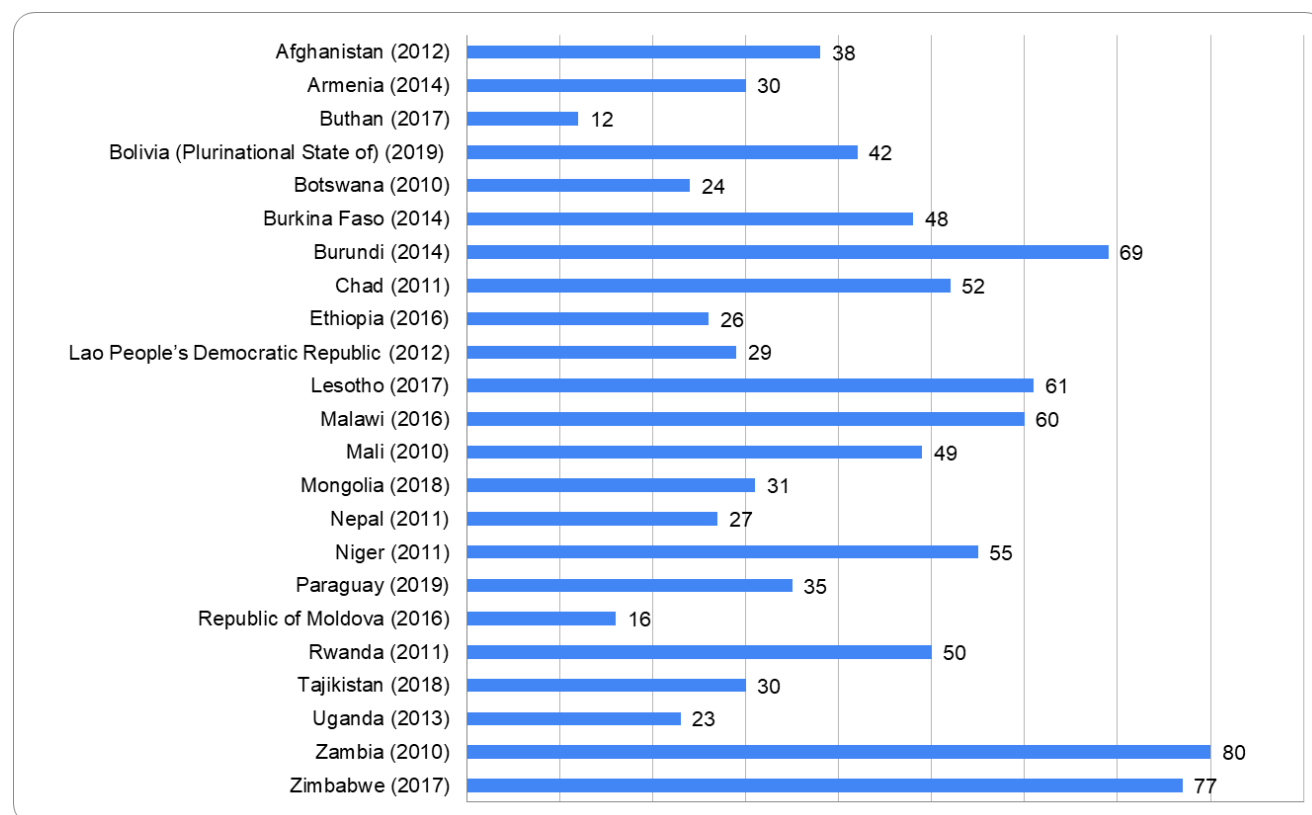
17. In Latin America, poverty reduction, including in rural areas, has stagnated in the past few years. In Ecuador and Paraguay, rural extreme poverty has been increasing.¹⁷ Countries with the highest rural extreme poverty headcounts include Bolivia (Plurinational State of), Honduras and Mexico. These three countries, together with Ecuador, Panama and Peru, have rates of moderate rural poverty of over 40 per cent (see figure IV).

¹⁵ Ministry of Statistics and Programme Implementation of India.

¹⁶ Aziz Atamanov and Sharad Tandon, "Measuring regional poverty in MENA: update and remaining challenges", World Bank, 27 November 2018.

¹⁷ Based on data from national statistical offices, using national extreme poverty lines.

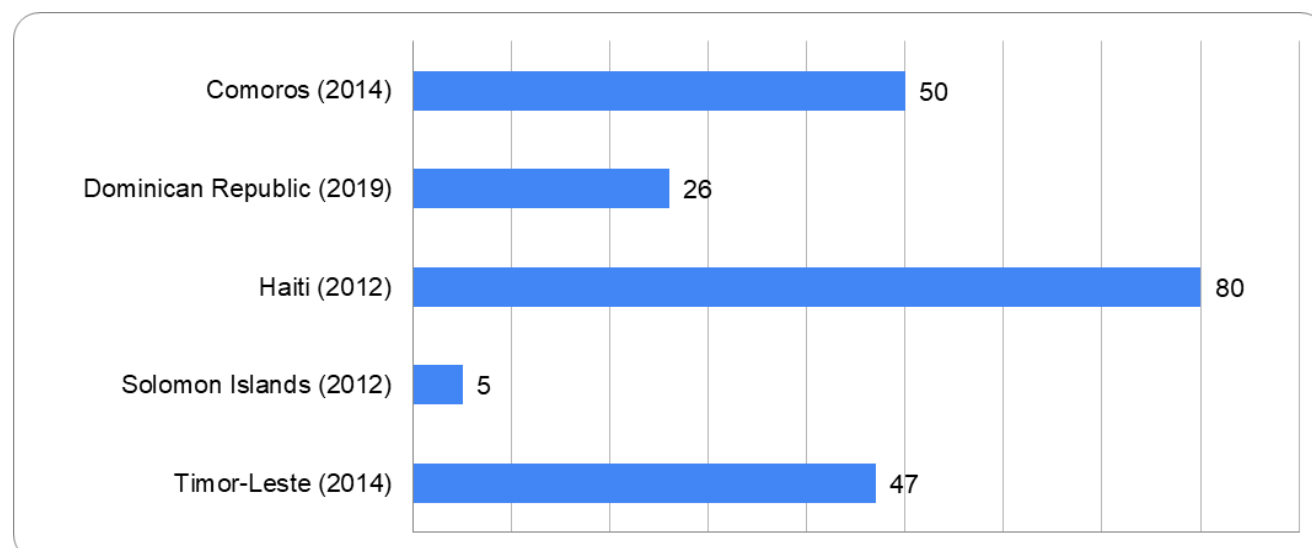
Figure I
Rural poverty headcount ratio at national poverty lines, landlocked countries



Source: National statistical offices.

Note: Numbers reflect headcount ratios before impact of COVID-19.

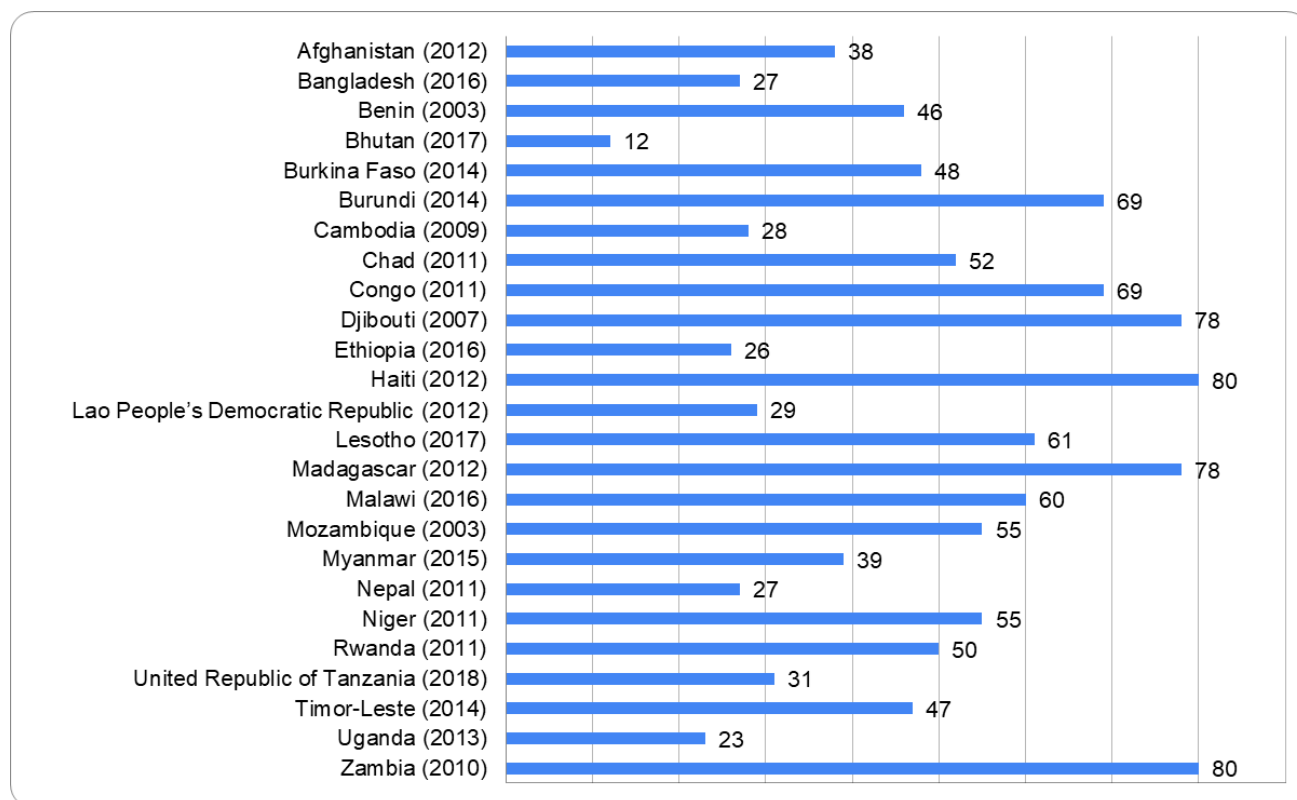
Figure II
Rural poverty headcount ratio at national poverty lines, small island developing States



Source: National statistical offices.

Note: Numbers reflect headcount ratios before impact of COVID-19.

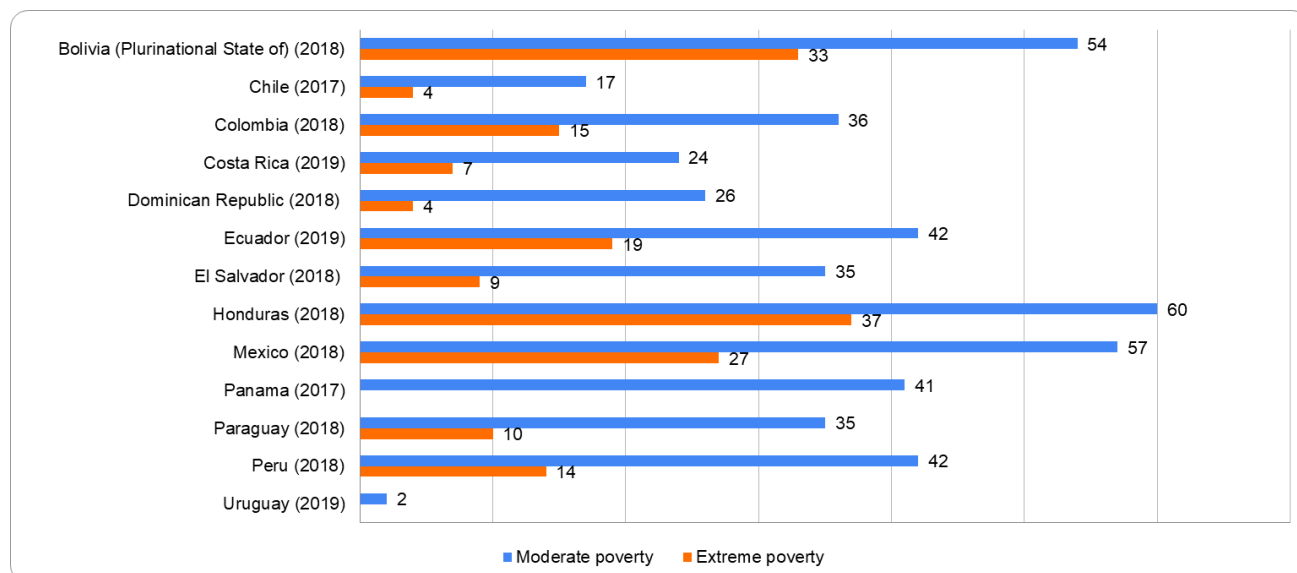
Figure III

Rural poverty headcount ratio at national poverty lines, least developed countries

Source: National statistical offices.

Note: Numbers reflect headcount ratios before impact of COVID-19.

Figure IV

Rural poverty headcount ratio at national poverty lines, Latin America

Source: National statistical offices.

Note: Numbers reflect headcount ratios before impact of COVID-19.

III. Priority gaps and challenges in eradicating rural poverty

A. Data gaps

18. Harmonized information on global rural poverty remains a challenge. There are a number of obstacles to obtaining comparable global estimates. For example, the official definitions of urban and rural vary by country, making comparisons of rural poverty across countries difficult.

19. At the national level, poverty estimates are often not disaggregated by urban and rural residence. Much of the data required for more specific measurements of rural poverty is often not available and/or not collected with sufficient regularity. To adequately cover specific subsectors, including agricultural households involved in pastoralism, fisheries and forestry, representative data for these sectors would need to be collected in household surveys or agricultural censuses.

20. National household surveys are rarely representative beyond the first administrative level (e.g. a state within a country) and, therefore, poverty levels cannot be estimated for smaller areas and associated with rural heterogeneity in agroclimatic characteristics and livelihoods, limiting the targeting of poverty eradication interventions. These challenges could be overcome by a more systematic use of statistical techniques that combine different sources of data, including non-traditional and big data sources (e.g. mobile phone and satellite data).

21. The systematic collection of administrative data on rural populations is also often lacking. Identification systems are powerful instruments for enabling access to programmes by people living in poverty, yet close to 40 per cent of adults in low-income countries do not have a form of identification, with women and people living in poverty being less likely to have one.¹⁸ Globally, approximately 1 billion individuals do not possess proof of legal identity and approximately 50 million newborns worldwide are not registered each year and hence lack legal identification.¹⁹

22. Social registries are also limited and, when available, often lack the necessary information for targeting economic inclusion interventions.

B. Education

23. In the past 50 years, schooling has expanded dramatically. Years of schooling completed by the average adult in developing countries more than tripled between 1950 and 2010 – from 2 to 7.2 years.²⁰ Previously marginalized groups, especially girls, are now much more likely to start primary school; however, the likelihood of completing school remains low in some countries.²¹ Exclusion due to poverty, gender, ethnicity, disability and location persists. In sub-Saharan Africa, poor rural girls are seven times less likely than non-poor urban boys to complete school, and less than 1 in 20 of these girls is on track to complete secondary school.²² Other barriers include a lack of accessible facilities and inclusive education for students with disabilities, and language accessibility, including indigenous languages.

¹⁸ World Bank, “Global ID coverage, barriers, and use by the numbers: insights from the ID4D-Findex Survey”.

¹⁹ United Nations, Statistical Commission, “Overview of the United Nations legal identity agenda”, background document for the fifty-first session of the Commission, New York, March 2020.

²⁰ World Bank, *World Development Report 2018: Learning to Realize Education's Promise* (Washington, D.C., 2018).

²¹ Ibid.

²² Ibid.

24. Low educational attainment levels, coupled with scant opportunities to acquire job-specific skills and on-the-job training, continue to constrain job opportunities for many rural people seeking productive work. In sub-Saharan Africa, low school attainment and quality of education are key factors explaining the slow pace of structural transformation.²³ African rural youth continue to be less likely to attain high levels of education than their urban counterparts, let alone than their peers on other continents.²⁴ There is a lack of work-oriented skills development, in particular for youth, to help to link rural populations with emerging income opportunities, including those related to evolving agrifood systems.²⁵

25. Urgent action is needed to bridge the urban-rural digital gap. The closure of schools in both developed and developing countries owing to COVID-19 has seen rural students fall further behind than their urban peers. In fact, most of the 3.9 billion people who are offline live in rural areas and are poorer, less educated and tend to be women and girls (E/CN.6/2018/3).

26. Rural transport and roads have an important role in facilitating access to essential services, including education and health, as well as to markets and income-generating opportunities. Poverty is high in places where rural accessibility is limited, and low accessibility is the highest in sub-Saharan African countries.²⁶

C. Health

27. Rural people suffer more from diseases that result from weak health systems and adverse determinants of health. They carry the heaviest burden of neglected tropical diseases, including malaria.²⁷ In one third of 47 low- and middle-income countries studied, the under-5 mortality rate is 20 deaths per 1,000 live births higher in rural areas than in urban areas.²⁸

28. Also, the rural poor are at much higher risk of occupational health-related injuries; workers in agriculture run twice the risk of dying on the job compared with workers in other sectors.²⁹ They are at particular risk of contracting zoonosis.³⁰

29. The rural poor face greater challenges in obtaining access to health services,³¹ in particular in developing countries. Compared with urban areas, rural areas have fewer and less adequate primary care services, weaker referral systems, insufficient numbers of experienced and qualified health professionals, including doctors³² and

²³ Athur Mabiso and Rui Benfica, *The Narrative on Rural Youth and Economic Opportunities in Africa: Facts, Myths and Gaps*, International Fund for Agricultural Development Research Series, No. 61 (Rome, International Fund for Agricultural Development (IFAD), 2019).

²⁴ Ibid.

²⁵ Ibid.

²⁶ World Bank, "World measuring rural access: update 2017/18", Washington D.C., February 2019.

²⁷ 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, World Health Organization, 2010).

²⁸ WHO, *World Health Statistics 2020: Monitoring Health for the SDGs, Sustainable Development Goals* (Geneva, 2020).

²⁹ ILO, "Promoting rural development through occupational safety and health", rural policy brief, Geneva, 2013.

³⁰ Delia Grace and others, *Mapping of Poverty and Likely Zoonoses Hotspots: Zoonoses Project 4 – Report to the Department for International Development, United Kingdom* (Kenya, International Livestock Research Institute, 2012).

³¹ Isolde Sommer and others, "Socioeconomic inequalities in non-communicable diseases and their risk factors: an overview of systematic reviews", *BioMed Central Public Health*, vol. 15, No. 914 (2015).

³² WHO, *Increasing Access to Health Workers in Remote and Rural Areas through Improved Retention: Global Policy Recommendations* (Geneva, 2010).

nurses,³³ poorer working conditions for public health workers, inadequate social security, deficient laboratory networks and underdeveloped intersectoral action in support of health, which together undermine the health of the rural poor.³⁴ This includes indigenous peoples living in remote locations.

30. In terms of key determinants of health, about 8 in 10 people worldwide who lack access to basic drinking water services live in rural areas, as do 7 out of 10 people lacking basic sanitation services.³⁵

D. Food security and nutrition

31. Poverty and hunger are inextricably linked. Poverty constrains poor people's access to a safe, nutritious and healthy diet and is a key driver of persistent hunger, food insecurity and malnutrition. Hunger and undernourishment perpetuate extreme poverty, reducing labour productivity and forcing families to focus on immediate survival rather than longer-term strategies.

32. Hunger affects children's future through learning difficulties, poor health and growth deficiencies, which can lead to lower productivity and earnings over a lifetime. Children in the poorest households are more affected by stunting,³⁶ which is a barrier to intergenerational economic mobility. Paradoxically, agricultural workers, both those in wage labour and those self-employed, while responsible for feeding the world, are often among the poorest and most food insecure.³⁷

33. After decades of steady decline, the prevalence of undernourishment reverted in 2015 to a level slightly below 11 per cent, with an increasing number of people suffering from hunger.³⁸ Hunger is expected to continue to increase as a result of COVID-19 and the related economic slowdown. The Food and Agriculture Organization of the United Nations (FAO) estimates that, under scenarios of a reduction in the growth rate of GDP of between 2 and 10 percentage points in all countries, the number of undernourished people in net food-importing countries would increase by 14.4 million to 80.3 million, with the majority of the increase occurring in low-income countries.³⁹

E. Inclusion of groups in vulnerable situations

34. Rural women face the greatest inequalities and disadvantages, including in education, access to health care, ownership of and control over assets, labour participation and access to wages, access to services and technologies, as well as participation in decision-making. Poor quality of rural public services and infrastructure, together with discriminatory social and cultural norms, prevent rural

³³ WHO, *State of the World's Nursing 2020: Investing in Education, Jobs and Leadership* (Geneva, 2020).

³⁴ ILO, *Global Evidence on Inequities in Rural Health Protection: New Data on Rural Deficits in Health Coverage for 174 Countries*, Extension of Social Security Series, No. 47, Xenia Scheil-Adlung, ed. (Geneva, 2015).

³⁵ United Nations Children's Fund (UNICEF) and WHO, *Progress on Household Drinking Water, Sanitation and Hygiene 2000–2017: Special Focus on Inequalities* (New York, 2019).

³⁶ Ambar Narayan and others, *Fair Progress? Economic Mobility across Generations around the World* (Washington D.C., World Bank, 2018).

³⁷ ILO, *World Employment Social Outlook 2016: Transforming Jobs to End Poverty* (Geneva, 2016), p. 15.

³⁸ FAO, WHO, UNICEF, IFAD and the World Food Programme, *The State of Food Security and Nutrition in the World 2019: Safeguarding against Economic Slowdowns* (Rome, FAO, 2019).

³⁹ FAO, "COVID-19 global economic recession: avoiding hunger must be at the centre of the economic stimulus", policy brief, Rome, 24 April 2020.

women from achieving their full potential as agents of socioeconomic change. The current pandemic has also worsened violence against women.

35. Rural women often work without pay – in the home, providing unpaid care to children and older persons, and on the land. Their multiple contributions to the economy often go unreported. Reducing gender inequalities in access to productive resources, including land, credit and other assets, and in care work, are key policies to eradicate rural poverty, in addition to facilitating access to health and education for rural girls.

36. Indigenous peoples represent 18.7 per cent of the world's extreme poor, while making up 9.3 per cent of the global population. Globally, in rural areas, indigenous peoples are more than twice as likely to be in extreme poverty compared with the non-indigenous population.⁴⁰ Around the world, indigenous peoples are often highly disadvantaged owing to great inequalities in childhood development, social discrimination, violence, assimilation policies in the education and health systems, language barriers and the dispossession of land and denial of land rights.⁴¹

37. Rural migrant workers, including seasonal workers, and refugees are among the most vulnerable rural populations and are often invisible in national statistics and policies. Globally, approximately 11 per cent of migrant workers are engaged in agriculture.⁴² Many migrants, especially in rural areas, work under informal or casual arrangements and are vulnerable to exploitation, often living without access to health care, social protection and income security.

F. Agricultural development and rural livelihoods

38. Globally, about 76 per cent of the rural workers who are extremely poor and 60 per cent of those who are moderately poor engage in agriculture.⁴³ As the backbone of rural economies, in particular in low-income countries, agriculture is the leading economic sector for reducing rural poverty. However, the extent of its role depends on the characteristics of countries and their territories,⁴⁴ on the capacity to generate employment opportunities for the poorest and on the ability of the poor to increase the returns on their assets, such as land and labour, within the sector.

39. Many of the rural poor depend on pastoralism, forests or fisheries for their livelihoods. Pastoral livelihoods have been undermined by decades of marginalization from policy and investment decision-making processes, violence and displacement, as well as insecure tenure rights and access, even though pastoralism contributes up to 80 per cent of agricultural GDP in some African countries.⁴⁵

40. Forest-dependent people, many of whom are indigenous peoples, are usually located in remote hard-to-reach rural areas, characterized by low population density, low levels of market development and inadequate access to public goods and social services. They also suffer from expanding encroachment onto their lands. FAO

⁴⁰ ILO, *Implementing the ILO Indigenous and Tribal Peoples Convention No. 169: Towards an Inclusive, Sustainable and Just Future* (Geneva, 2019).

⁴¹ *Leaving No One Behind: The Imperative of Inclusive Development – Report on the World Social Situation 2016* (United Nations publication, Sales No. E.16.IV.1).

⁴² ILO, *ILO Global Estimates on Migrant Workers: Results and Methodology – Special Focus on Migrant Domestic Workers* (Geneva, 2015).

⁴³ Castañeda and others, "Who are the poor in the developing world?"

⁴⁴ Stefan Dercon, "Rural poverty: old challenges in new contexts", *The World Bank Research Observer*, vol. 24, No. 1 (February 2009).

⁴⁵ International Union for Conservation of Nature, "Nomadism benefits the economy, new study shows", 6 February 2007. Available at www.iucn.org/content/nomadism-benefits-economy-new-study-shows.

estimates that about 40 per cent of people living in extreme poverty in rural areas live in forest and savannah areas.⁴⁶ Also, of the 120 million people who engage in fisheries worldwide, about 90 per cent are small-scale fishers and fish workers.⁴⁷ Fishers are exposed to high employment risks and poor employment conditions, often lacking access to social protection or support during the closed season.

41. Countries dependent on a few agricultural primary commodities for export, with limited linkages with the rest of the economy, tend to invest less in human capital, limiting the transition of rural workers from low to higher productive sectors. In addition, policies need to address the market failures faced by poor farmers that limit their productive capacity, including access to rural/agricultural services, markets, credit, insurance, roads, Internet connection and infrastructure.

42. Agrifood value chains are not necessarily inclusive of poor people. They have the potential to generate decent wage employment (e.g. in the processing and packaging of labour-intensive commodities, such as in horticulture) or create demand for the production and/or services of poor farmers; however, explicit provisions are often required to facilitate participation by the poor. Risk management support and the transfer of assets and skills to poor producers are often absent in value chain development. Technological innovation brought by value chain development is not always neutral or labour intensive enough to be inclusive.⁴⁸ Moreover, contract farming tends to benefit non-poor farmers who have the capacity to adapt to quality and production requirements.

G. Decent employment and the non-farm economy

43. The rural poor in low- and middle-income countries often engage in informal, low productivity employment and have limited access to decent work. Processes of economic transformation have given little priority to policies and regulations to foster a transition from informal to formal work, resulting in a high rate of informal employment.

44. People living in rural areas are almost twice as likely to be in informal employment compared with urban dwellers. The rate of informal employment in agriculture is estimated at more than 90 per cent.⁴⁹ Young people in rural areas are only one third as likely to have contracted employment compared with their urban counterparts and 40 per cent more likely to be in casual wage work without a contract.⁵⁰ Many informal workers are poor but not poor enough to qualify for social assistance, when available.

45. Over 70 per cent of child labour worldwide is found in the agriculture sector,⁵¹ jeopardizing children's health, education and future economic prospects. The eradication of child labour in rural areas is undermined by the lack of quality education, school food programmes and public services, incentives for human capital investments and financial support to labour-constrained households.

46. The rural poor are also engaged in non-agricultural activities. About one in four extreme poor and two in five moderate poor rural workers are engaged in work outside

⁴⁶ Ana Paula de la O Campos and others, *Ending Extreme Poverty in Rural Areas: Sustaining Livelihoods to Leave No One Behind* (Rome, FAO, 2018).

⁴⁷ World Bank, *Hidden Harvest: The Global Contribution of Capture Fisheries – Economic and Sector Work*, Report No. 66469-GLB (2012).

⁴⁸ Dercon, "Rural poverty: old challenges in new contexts".

⁴⁹ ILO, *Women and Men in the Informal Economy: A Statistical Picture*, 3rd ed. (Geneva, 2018).

⁵⁰ Ibid.

⁵¹ ILO, *Global Estimates of Child Labour: Results and Trends, 2012–2016* (Geneva, 2017).

the agricultural sector.⁵² Policies to support the creation of off-farm activities in rural areas, including through the facilitation of market linkages with urban areas, have not been emphasized enough in rural poverty eradication strategies. A territorial approach to the development of food systems, natural resources management, the environment and tourism can generate additional sources of employment, including for poor women and youth.

H. Rural social protection systems and measures

47. Most of those living in rural areas have little or no access to social protection,⁵³ a key mechanism for reducing and preventing poverty by enabling poor households to manage risks, build resilience in times of crisis, invest in agricultural production and enhance their economic inclusion and access to services.

48. Despite global progress on social protection coverage, pre-COVID-19 estimates show that only 44 per cent of the global population receives at least one form of social protection⁵⁴ and only 29 per cent of the global population has access to comprehensive social security.⁵⁵ In rural areas, coverage is lagging behind as a result of specific physical, as well as legal, financial and administrative, barriers that still undermine the reach of social protection programmes and services.⁵⁶

49. The COVID-19 pandemic has prompted a massive expansion of social protection systems to buffer the impact of the crisis. As at 23 April 2020, 195 countries had adopted a total of 1,024 social protection measures in order to respond to the crisis.⁵⁷ Social insurance measures have been adopted or expanded beyond their usual reach, including to informal workers.⁵⁸

50. Despite recent progress, most social protection schemes in developing countries are still not anchored in legislation. When they are, it mainly concerns social insurance benefits, which tend to exclude informal workers, including agricultural workers, fishers, foresters and casual labourers.⁵⁹ Additional barriers to the expansion of social protection in rural areas include low contributory capacity by workers, inadequacy of security systems, lack of compatibility with the seasonality and variability of agricultural work and overall lack of awareness of and information on the social protection system.⁶⁰ Social protection that is more adequate and better adapted to the different risks and the nature of rural occupations is needed in rural areas.⁶¹

⁵² Castañeda and others, “Who are the poor in the developing world?”.

⁵³ ILO, “Extending social protection to the rural economy: decent work in the rural economy – policy guidance notes”, Geneva, 2019.

⁵⁴ World Bank, Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE) database. Available at www.worldbank.org/en/data/datatopics/aspire (accessed in March 2020).

⁵⁵ ILO, *Universal Social Protection for Human Dignity, Social Justice and Sustainable Development* (Geneva, 2019).

⁵⁶ FAO, *The State of Food and Agriculture: Social Protection and Agriculture – Breaking the Cycle of Rural Poverty* (Rome, 2015).

⁵⁷ Ugo Gentilini and others, “Social protection and jobs responses to COVID-19: a real-time review of country measures”, version 11, 12 June 2020 (World Bank).

⁵⁸ Ibid.

⁵⁹ Andrew Mundalo Allieu and Ana Ocampo, *On the Path to Universal Coverage: Identifying and Lifting Barriers of Access to Social Protection for Rural Populations* (forthcoming).

⁶⁰ Ibid.

⁶¹ Ibid.

I. Financial inclusion

51. The lack of access to credit or insurance by the rural poor often means engaging in less risky, but lower return, economic activities, or opting for negative coping strategies, including asset depletion and underinvestment in human capital. To obtain liquidity and manage risk, poor people borrow from informal sources and engage in casual wage labour. For many rural households, migration is also a livelihood strategy to manage risks and increase living standards.⁶²

52. Agriculture is an inherently risky business, and this risk is increasing with climate change. In sub-Saharan Africa, most agricultural households experiencing a bad harvest or significant livestock loss bear all the financial risks themselves.⁶³ Agricultural insurance remains limited, benefiting only 19 per cent of small-scale producers in developing countries.⁶⁴ In sub-Saharan Africa, coverage is less than 3 per cent.⁶⁵

53. In addition to social protection, financial inclusion mechanisms can help people living in poverty to better manage risk. However, urban populations benefit from broader access to finance than rural communities, and rural people remain largely “unbanked”, without an account at a financial institution or provided through a mobile money provider,⁶⁶ which could facilitate both access to social protection and credit support. Rural women are particularly constrained in access to financial services.⁶⁷

J. Extreme weather events and climate change

54. Extreme weather events disproportionately affect the rural poor, as the majority of the rural poor depend on agricultural activities based on natural resources and a favourable and predictable climate. Extreme weather and other natural shocks also affect health, access to water and food security, and lead to loss of already small endowments by damaging infrastructure and animal stocks and eroding natural resources and ecosystems.

55. Climate change will likely disproportionately affect least developed countries, with sub-Saharan Africa being of particular concern. Climate change poses enormous challenges for small-scale and family farmers, pastoralists and forest-dependent people,⁶⁸ and affects fishers and fishing communities.⁶⁹ The rural poor also face more difficulties in adapting to climate change owing to limited investment capacity to diversify or adopt climate resistant technologies.

56. Synergies and trade-offs⁷⁰ between action on climate change and poverty eradication require more attention. Global initiatives in addressing climate change

⁶² Information drawn from a joint IOM-FAO guide on integrating migration into rural development plans, policies and programmes, developed under a project on mainstreaming migration into international cooperation and development.

⁶³ Asli Demirgüç-Kunt and others, *The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution* (Washington, D.C., World Bank, 2018).

⁶⁴ ISF Advisors, “Protecting growing prosperity: agricultural insurance in the developing world”, September 2018.

⁶⁵ Ibid.

⁶⁶ In 2017, about 1.7 billion adults remained unbanked (Asli Demirgüç-Kunt and others, *The Global Findex Database 2017*).

⁶⁷ FAO, “Women’s access to rural finance: challenges and opportunities”, Rome, 2019.

⁶⁸ Anthony Charles, Daniela Kalikoski and Alison Macnaughton, *Addressing the Climate Change and Poverty Nexus: A Coordinated Approach in the Context of the 2030 Agenda and the Paris Agreement* (Rome, FAO, 2019).

⁶⁹ Ibid.

⁷⁰ Ibid.

have called for major changes in agriculture and food systems. These changes will affect the livelihoods of the rural poor, including indigenous peoples, who depend on agriculture and food systems, as well as the price of the food that they consume.

K. Rural institutions

57. Strong institutions at the national and territorial levels, including the public and private sectors, small-scale producer organizations and civil society, are fundamental to the eradication of rural poverty. Institutions provide services, enhance the management of and access to natural resources, provide information and knowledge, facilitate access to inputs and markets (e.g. through aggregation) and support the participation of different rural population groups in policymaking.⁷¹

58. Too often, strong institutions – fair, democratic, transparent, inclusive and efficient – are missing where they are most needed. Policies and investments are too often directed from above, failing to address the needs of people on the ground. The effective engagement of local organizations and rural communities and peoples as rights holders is hampered by the weakness of local institutions and power imbalances.⁷² Investments by Governments and development partners in the capacity of local organizations to determine their own pathways of development and transformational change are still insufficient.

59. More needs to be done to strengthen institutions on the ground; strategic diagnostics on the issues to be resolved, effective mechanisms to hold policymakers accountable and the right data and information can facilitate joint efforts between stakeholders and address the lack of policy coherence and coordination.⁷³

L. Financing rural poverty eradication and policy coherence

60. The scale and urgency of the challenge of eradicating rural poverty to implement the 2030 Agenda require the mobilization of domestic and international public resources, domestic and international private finance and international official development assistance. The lack of adequate resources to build and expand productive capacity, as well as to finance investments geared to meet the specific needs of people, often undermines efforts to eradicate rural poverty.

61. The financing gaps in education, health, agriculture, infrastructure and access to finance, all of which comprise the sectors with the greatest impact on rural poverty eradication, remain large. Providing sufficient access to pre-primary education in low- and lower-middle-income countries will require \$44 billion per year by 2030.⁷⁴ To meet the demand for food that is projected to increase by 70 per cent by 2050, at least \$83 billion in annual investment will be needed.⁷⁵ Investments needed for climate change mitigation and adaptation also remain underfunded.

⁷¹ FAO, IFAD and the Ministry of Agriculture, Food, Fisheries, Rural Affairs and Spatial Planning of France, *Good Practices in Building Innovative Rural Institutions to Increase Food Security: Case Studies* (Rome, 2012).

⁷² Ibid.

⁷³ FAO, *New Directions for Inclusive Pluralistic Service Systems: Report of FAO Expert Consultation* (Rome, 2016).

⁷⁴ UNICEF, *Every Child Learns: UNICEF Education Strategy 2019–2030* (New York, September 2019).

⁷⁵ FAO, “How to feed the world in 2050”, Rome, 2009.

62. Debt sustainability continues to be a challenge, with about 33 least developed and other vulnerable countries either in, or at high risk of, debt distress,⁷⁶ hindering their ability to invest in efforts to achieve the Goals. Countries should also leverage North-South, South-South and triangular cooperation to create opportunities that contribute to poverty eradication and engage in multi-stakeholder partnerships to have more access to finance, knowledge and resources, in order for their interventions to have a greater and more sustainable impact.

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

63. The decade of action is an opportunity to ensure that the 2030 Agenda delivers on its promise of leaving no one behind and healing the planet. The measure of its success will be its ability to generate concrete improvements in people's lives, including in rural and remote areas, and to build sustainable mechanisms that prevent people from falling back into poverty.

64. Given the unparalleled devastation unleashed by the COVID-19 pandemic, the United Nations system urgently set a socioeconomic framework to work together to deepen its efforts and help member countries and societies to recover better and build a healthier, fairer, more sustainable and resilient world.⁷⁷

65. The fight against poverty needs to be a joint effort. The public sector is responsible for designing and coordinating innovative and inclusive policies with clear visions and goals, mobilizing funding and stakeholders, working in partnerships with all development actors, including the private sector, developing fairer and sustainable markets and ensuring respect for human rights.

66. Stronger coordinated efforts among Governments, the United Nations system, development partners and non-State actors should be geared towards the implementation of inclusive national policies and goals, fostering a long-term view of transformation, prosperity and sustainability. While immediate action is required, major wins will likely be realized in the medium and longer terms. Consistency and dedication in efforts and support are essential for leaving no one behind. Together, the United Nations entities need to strive for a renewed focus on rural areas, recognizing the potential of rural people and their organizations to participate in and contribute to sustainable development.

67. The humanitarian sector will need to support livelihoods and promote local growth by better linking its assistance in building local institutions, infrastructure, rural micro-, small and medium-sized enterprises and cooperatives and skills and capacities in essential services with development efforts to build capacity at the country level, whenever possible. As such, partnerships that promote the humanitarian-development-peace nexus should be promoted and strengthened.

68. The production and analysis of quality, relevant data are key to enhancing global knowledge on the specificities of rural areas, in particular across agroecological and population characteristics. Technological innovation in the production and compilation of data and analysis will be key.

⁷⁶ International Monetary Fund list of debt sustainability analyses for low-income countries eligible for the Poverty Reduction and Growth Trust. Available at www.imf.org/external/Pubs/ft/dsa/DSAlist.pdf.

⁷⁷ United Nations, *A UN Framework for the Immediate Socio-Economic Response to COVID-19* (April 2020).

69. The extent of the challenge of eradicating poverty should be recognized and urgently addressed at its root causes. Sustained, inclusive and equitable economic growth, usually starting in agriculture, remains the backbone of poverty eradication, in particular when it leads to income generation, self-sufficiency, job creation and increased labour productivity of the rural poor. The Brazilian strategy to reduce rural poverty is a good example of a comprehensive approach to rural poverty reduction. It included support to family farmers through the expansion of credit, the provision of social protection for rural workers and family farmers and investment in access to basic water infrastructure. Growth in formal employment and increases of the real minimum wage were also crucial elements of poverty eradication.⁷⁸

70. The unprecedented crisis posed by the COVID-19 pandemic increases the challenges to eradicating poverty and combating inequality. The pandemic has signalled key areas in which economies are at their weakest in terms of inclusivity, resiliency and sustainability. As global and local economies build back their “engines of growth”, they will have to balance investments for “quick wins” with long-term solutions, including a minimum set of investments to ensure that no one is left behind.

71. The pandemic has starkly revealed both how inequality shapes vulnerabilities and how crises deepen inequality. It also represents an opportunity for countries to rethink their rural development agenda in a more sustainable and inclusive manner.

72. The recovery and further development of sustainable food systems after the pandemic will be a fundamental sector of growth, which, if inclusive, can lead to sustainable economic growth and help to accelerate poverty eradication in rural areas. Processes of urbanization will continue to generate demand for high-value foodstuffs within countries, as well as in international markets. Demand for organic and fair-trade items will also likely continue, coupled with potential changes in consumer preference for more locally grown (and safer) foods. These trends serve as opportunities for poverty eradication.

73. Building on the United Nations Decade of Family Farming (2019–2028), the public and private sectors will need to focus on enhancing the capacity and involvement of small-scale producers and producer organizations, processors and distributors during these difficult times. In Kenya, the Government has established a special committee to strengthen collaboration with agricultural cooperatives in the implementation and monitoring of COVID-19 mitigation measures and to advocate for solutions that are responsive to the needs of farmers.

74. Technical support to poor farmers needs to go beyond a narrow focus on technology transfers to enhance productivity and profitability. A holistic and inclusive approach, from production support to business and market support, should be linked to specific policy changes, including agricultural extension systems that provide quality services to a majority of farmers, including through public-private partnerships. An example is the successful institutionalization in the Philippines of the farm business school approach within its extension and advisory service system, which promotes market orientation and farming as a business.⁷⁹

75. The provision of assets and services to enhance business, marketing and entrepreneurial skills should also be part of value chain development efforts, focusing

⁷⁸ Pedro H. G. Ferreira de Souza, *Poverty, Inequality and Social Policies in Brazil, 1995–2009*. Working Paper No. 87 (Brasília, International Policy Centre for Inclusive Growth, February 2012).

⁷⁹ FAO statement on the completion of project TCP/PHI/3402, on building the capacity of small farmers in entrepreneurship development and market access (internal document); Christine Cudis, “More farmers graduate from DAR-sponsored biz school”, Philippine News Agency, 19 November 2019.

in particular on women and youth and indigenous peoples, who tend to have less access to these resources. Employment opportunities in agricultural production, processing and marketing are also important channels for including the landless or the poorest in the development process. The poor and the poorest will also benefit from lower food prices as the productivity and competitiveness of firms increase.

76. Countries such as Brazil and Ecuador have had successful experiences in the development of inclusive value chains and territorial market development for agricultural products from small-scale producers, including through the use of public procurement mechanisms and family farming labelling.⁸⁰ Demand for local foodstuffs by public schools, hospitals and other public institutions, or by the tourism sector and urban centres, can be powerful markets conducive to reducing poverty.

77. The promotion of specific crops and value chains can lead to a bigger impact on poverty eradication, while also generating nutritional benefits. Small-scale producers can provide a more diversified selection of products and have a comparative advantage in high-value, labour-intensive products, including fruits, vegetables and specialty crops.⁸¹ Rural peoples in more remote areas tend to have a deeper knowledge of location-specific products, often disregarded and underutilized in markets.⁸² The recognition of specialized products can foster employment in other sectors, such as tourism.

78. Successful country experiences in poverty eradication, such as in China, Thailand and Viet Nam, underscore the importance of investing in human capital assets in an equal manner across regions and populations, reaching the rural poor and extreme poor. Universal access to quality education and health-care services increases the returns to both land and labour, which are often the main assets of poor people in rural areas.⁸³ Ensuring secure land tenure and the recognition of indigenous peoples' and women's land and other natural resource rights, and, whenever possible, the redistribution or provision of key assets (such as land and other productive assets) will be necessary to reduce inequalities that continue to hinder inclusive development.

79. While better working conditions, facilitated by technologies in the agricultural sector, can attract more rural women and youth to agricultural work, the poorest are often disadvantaged in accessing new jobs owing to lower education and skills. Technologies can also reduce demand for labour, in particular that of unskilled workers, potentially hampering poverty reduction if other sectors cannot absorb these workers.

80. Employment in the health sector can be a leading source of current and future employment in rural areas, notably for women, who constitute 70 per cent of the global health workforce.⁸⁴ An unprecedented growth of 40 million new jobs in global health employment is expected by 2030.⁸⁵

81. Reaching the poorest and most vulnerable populations will require the provision of personal identification systems that open up access for the rural poor to fundamental rights and dedicated policies, including through registries for social programmes. Farmer registries have been set up in Brazil, Kenya, Lebanon and the

⁸⁰ Pedro Arias and others, *Smallholder Integration in Changing Food Markets* (Rome, FAO, 2013).

⁸¹ André Devaux and others, "Agricultural innovation and inclusive value-chain development: a review", *Journal of Agribusiness in Developing and Emerging Economies*, vol. 8, No. 1 (March 2018).

⁸² Ibid.

⁸³ Javier E. 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).

⁸⁴ Mathieu Boniol and others, "Gender equity in the health workforce: analysis of 104 countries", Working Paper No. 1, Geneva, WHO, March 2019.

⁸⁵ Ibid.

Philippines, helping to facilitate access for poor farmers to policies that benefit smallholder farmers. Social registries can help to identify groups at risk, as well as those requiring specific support and protection across the life cycle.

82. Expanding social protection systems for the rural population will be the backbone of eradicating extreme poverty in rural areas. These systems protect the rural poor through the provision of cash and in-kind transfers and investments in human capital formation, but also support them in managing risks and fostering economic inclusion. However, these should be implemented with a view to expanding universal coverage and supporting national strategies of social protection. Mongolia has made remarkable progress in expanding social protection to universal coverage through a system comprising social insurance, social welfare and active labour market policies.

83. Both social assistance and contributory social protection must reach everyone, including those living in remote places, and should be better adapted to the nature and specificities of rural livelihoods, including the working conditions of fishers, forest-dependent communities, pastoralists, indigenous peoples and migrant labourers. For contributory schemes, it will be crucial to adopt mixed financing mechanisms. The introduction of subsidized pillars or contributions for income-constrained workers has shown to increase uptake, for example, in agricultural insurance and health insurance.⁸⁶

84. There is also a pressing need for social protection systems to be risk informed and shock responsive, including through the integration of early warning systems to minimize the effects of climate-related events, as well as other crises, such as pandemics and natural disasters.

85. In developing countries, agricultural insurance that is mostly found in higher-income countries has become available through public-private partnerships, combining the efficiency of the private delivery of insurance with targeted financing by the State. The role of non-profit institutions (non-governmental organizations, microfinance organizations and farmer groups) in delivering insurance to poor farmers, often in partnership with private insurers, has been growing.

86. Digitalizing agricultural payments can offer opportunities to increase account ownership and create a credit history for farmers. About 235 million unbanked adults in developing countries receive agricultural payments in cash.⁸⁷ Digitizing payments, through mobile phones for example, could cut the number of unbanked adults by up to a quarter or more in countries such as Mozambique, Nigeria and Viet Nam, by roughly a third in Burkina Faso and Sierra Leone, and by up to half or more in Ethiopia.

87. Climate change policies will need to support the incomes and risk management strategies of the rural poor, in particular if climate action reduces the demand for their labour or requires the adoption of new agricultural practices for adaptation or mitigation, or if access to natural resources is restricted. A combination of social protection schemes, credit and insurance, as well as the development of skills and capacities to adopt new technologies or engage in different employment, will have to be part of any climate change adaptation and mitigation global strategy.

88. Economic inclusion and social inclusion go hand in hand. Prioritizing the empowerment of women and other groups in vulnerable situations, including indigenous peoples, migrants and persons with disabilities, requires targeted actions and is central to poverty reduction efforts. Strengthening local organizations through

⁸⁶ Mundalo Allieu and Ocampo, *On the Path to Universal Coverage* (forthcoming).

⁸⁷ Ibid.

effective participatory processes and platforms with Governments and other sectors can facilitate the resolution of bottlenecks and policy problems. Stronger local organizations will lead to better implementation of national policies on the ground.

89. A high degree of labour intensity in the process of sustainable growth is crucial for poverty eradication and for ensuring a just transition towards environmentally sustainable economies. Policies require identifying decent job opportunities for poor people in rural areas. Practices such as organic farming and local value addition through processing can offer income opportunities for the poor. Social protection can support these processes. However, some sustainable practices require a workforce with higher skills, which will need to be fostered through public action and access to relevant pluralistic services.

90. Rural women's multiple contributions to the economy need to be explicitly recognized, including their contribution to household welfare and non-remunerative economic activities. Better rural infrastructure and quality of services – roads, water, energy, education, health and care – are fundamental prerequisites for the economic inclusion of women. Access to productive resources, such as land, and decision-making power over household and community resources are critical to realizing women's needs and aspirations.

V. Conclusions and recommendations

91. As part of the decade of action, Governments, civil society, the private sector and development partners are called upon to step up efforts to achieve the Sustainable Development Goals. The COVID-19 pandemic makes this call even more urgent, while also representing an opportunity for systematic change. To eradicate poverty in all its forms, a greater focus on rural poverty is needed. Rural poverty eradication requires multisectoral policies that address these inequalities within an inclusive and sustainable rural development policy agenda. Member States may wish to consider:

(a) **Strengthening government action at the national and local levels to eradicate rural poverty. Countries should aim for an economic transformation in rural areas that increases productivity while ensuring an adequate quantity and quality of employment, an equitable distribution of income, wealth and resources, access to quality public services, a reliable social protection system and the protection of the environment;**

(b) **Taking an inclusive, sustainable and healthy diet-oriented food system approach to rural development to promote rural poverty eradication. Such an approach should address the trade-offs between the promotion of economic growth and the economic inclusion of the poor, while guaranteeing food security and nutrition and environmental sustainability. Policies that support poor farmers and small-scale producers at the territorial level are of key importance;**

(c) **Working to guarantee a minimum set of investments in rural areas that better target the rural poor and extreme poor and are geared towards accessible infrastructure, basic services, rural roads and telecommunications, as well as preparedness planning for crises. Partnerships with all development actors, including the private sector, community organizations, producer associations, civil society organizations and national and international development agencies, are central to mobilizing resources and expanding the coverage of such investments;**

(d) **Strengthening both employment opportunities and workers' rights in rural areas, including that of seasonal agricultural workers, migrants, returning migrants and refugees. Developing and implementing good migration**

governance is of key importance to facilitating access to decent work. Governments should facilitate access to the assets, resources, training and services necessary for sustainable livelihoods and guarantee that rural workers have access to dispute prevention and resolution procedures;

(e) Renewing efforts to expand the coverage of social protection systems in rural areas, by removing barriers to access, extending legislation to rural populations and supporting poor rural participants in food chains. This includes facilitating the portability of earned social benefits across borders. Social protection is key to protecting but also to expanding livelihoods. This requires the combination of social protection interventions to protect income and prevent negative coping strategies and policies to support economic inclusion throughout the agrifood system and natural resource management;

(f) Explicitly recognizing and addressing the specific constraints faced by rural women, in particular indigenous women, in terms of health, education and care services, food security and nutrition, access to productive resources – including land, finance and technology – and decent employment opportunities;

(g) Protecting the livelihood systems and specialized knowledge of indigenous peoples and traditional populations, including pastoralists. They should be consulted, through their own institutions, on policies that concern their lives and livelihoods, and their free, prior and informed consent should be obtained before adopting and implementing legislative or administrative measures that may affect them.⁸⁸

⁸⁸ United Nations Declaration on the Rights of Indigenous Peoples.