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A time of transition

Agricultural development and rural poverty reduction in the Near East and North Africa

Improving lives and livelihoods

Since 1978, the International Fund for Agricultural Development (IFAD) has worked with small-scale farmers in 122 countries and territories around the world to help them overcome rural poverty and increase their food and nutrition security. IFAD has invested a total of about US\$15.6 billion in grants and low-interest loans to developing countries, reaching more than 400 million people.

Agricultural development can be a major driver of poverty reduction. IFAD acts as an advocate for poor rural people, helping to create an enabling environment – with appropriate policies, know-how, finance, infrastructure and market access – for them to improve their lives and livelihoods.

As part of its global portfolio, IFAD has supported rural development projects through grants and loans in 12 countries and one territory across the Near East and North Africa. They include Algeria, Djibouti, Egypt, Gaza and the West Bank, Iraq, Jordan, Lebanon, Morocco, Somalia, Sudan, Syrian Arab Republic, Tunisia and Yemen.

Most of these societies have been in the midst of social and political transition in recent years. Three of them changed governments following the events of 2011,



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and some have endured armed conflict. Moreover, most of them face the challenge of food security in a drylands environment and rely largely upon imports to feed their growing populations.

Historical evidence shows that countries in transition are at high risk of conflict. But it also shows that agricultural development is one of the keys to peace and stability.

To date, IFAD has invested more than US\$1.6 billion in loan financing for 113 rural development programmes and projects in the Near East and North Africa. With cofinancing from development partners and funds from governments and other domestic sources, these initiatives represent a total investment of nearly US\$3.6 billion. They have benefited some 3.5 million poor rural households. In addition to loans, IFAD has provided grants for agricultural research and innovation at the country and regional levels – including 35 ongoing grants worth a total of US\$35.4 million.

Operations supported by IFAD in the Near East and North Africa focus on:

- Expanding smallholder farmers' access to rural finance
- Generating employment for young rural people
- Linking small growers of non-traditional crops with domestic and international markets
- Improving management of land and water resources, and finding solutions to cope with increasing water scarcity
- Sustainably managing, conserving and restoring ecosystems so that rural people can improve their livelihoods and adapt to a changing environment
- Enhancing resilience to climate-related shocks and stresses
- Strengthening early interventions in post-conflict situations.

Following are highlights of IFAD's strategic investments in these priority areas – investments that are made possible by the continuing participation and commitment of IFAD Member States.

IFAD operations in the Near East and North Africa



IFAD in Egypt

Egypt is IFAD's largest recipient of financial investment in the Near East and North Africa. Since 1981, IFAD has committed US\$322.7 million in loans to 11 programmes and projects with a total value of US\$665.3 million in the country, benefiting more than 1.1 million households and helping to reclaim 188,000 hectares of productive land.

IFAD-funded operations in Egypt support activities designed to improve incomes and living conditions for small-scale farmers and their communities, including the country's large youth population. Among other objectives, the country programme focuses on encouraging private-sector development and employment, enhancing agricultural competitiveness, and promoting research and extension systems that respond to the needs of smallholder farmers, rural women and young people.

To promote modern irrigation, IFAD has supported the establishment of 570 water users' organizations with over 14,000 members. These local organizations have reduced smallholders' irrigation costs by 25 per cent and increased water savings dramatically. Another 230 users' groups are planned as part of the IFAD-supported On-farm Irrigation Development Project in the Oldlands.

In addition, IFAD has supported the creation of 30 farmers' marketing associations (FMAs) with more than 31,000 members. Over 670 more FMAs are planned by the Upper Egypt Rural Development Project and Promotion of Rural Incomes through Market Enhancement Project. The latter project has also backed 37 community development associations to provide microfinance to smallholders, extending 100,000 loans with a total value of US\$69.6 million. About 70 more of these associations are planned.

Through contract farming arrangements and the efforts of the FMAs, smallholders' incomes have risen by 43 per cent for conventional export crops and 63 per cent for organic horticulture products. Household incomes benefit most significantly when FMAs sell their produce directly in villages, governorates and metropolitan wholesale markets. According to a recent impact study for the IFAD-supported West Noubaria Rural Development Project, which supports contract farming, average annual household income in the project area has reached US\$8,300 – well above the international poverty level.

In the field **Graduating to a new life farming** **Egypt's desert**

Every year, around 700,000 young people graduate from Egypt's vocational schools. With not enough jobs to go around, many end up unemployed. At the same time, Egypt faces challenges in ensuring stable food supplies for its expanding population. Solving both of these problems is the goal of a project supported by IFAD in West Noubaria, part of the 'new lands' being reclaimed from the desert.

One of the young men cultivating this new farmland is a Cairo University graduate in agricultural engineering.

After finishing university, Ahmad Abdelmunem Al-Farhad worked only occasionally. His life changed when he responded to an announcement offering opportunities on reclaimed land for unemployed graduates. On half of his two-hectare plot, Ahmad planted oranges, a cash crop that sells well in the summer because of the demand from hotels and restaurants.

Ahmad is among thousands of farmers in West Noubaria who have notched up some important successes. Among other exports, 300 of the project farms sell 6,000 tons of tomatoes to Heinz each year. Meanwhile, the formerly unemployed graduates are putting down roots that will strengthen their communities through the generations.

IFAD in Sudan

IFAD's presence in the Republic of the Sudan dates from 1979 and remained uninterrupted throughout the country's prolonged civil war. IFAD has invested US\$251.4 million in loan financing for 19 programmes and projects with a total value of US\$603.8 million in Sudan. These operations have benefited more than 455,500 rural households.

The initiatives supported by IFAD in Sudan work with smallholder farmers and herders to ensure food and nutrition security, enhance incomes and increase resilience to shocks. Within a framework of sustainable natural resource management, they aim to improve agricultural production even as they promote peace-building.

The Butana Integrated Rural Development Project, for example, is improving living conditions for smallholder farmers and pastoralists in a region where open access to range and water resources has caused severe environmental damage and water shortages. The Butana project is helping communities regulate access to rangelands, increase livestock productivity and strengthen resilience to recurrent droughts. As one of its key components, the project enables rural women to increase their economic status through off-farm enterprises – especially dairy processing – and small livestock production.

Also in Butana, IFAD supports the development of small home nurseries for the seedlings that are needed to restore tree cover in degraded areas. The nurseries are tended by household members, generating both environmental and economic benefits.

Another IFAD-supported project is working to revitalize gum arabic production by associations of small-scale farmers in Sudan, which is the world's largest exporter of raw gum. While the full impact of this effort remains to be seen, it is in keeping with IFAD's overall emphasis on economic and social progress for poor rural women and men in Sudan.

IFAD in the Syrian Arab Republic

Since 1982, IFAD has invested US\$154.2 million in loans for eight projects with a total value of US\$533.3 million in the Syrian Arab Republic. Over 446,150 households have benefited from these efforts. Although the country is currently in the midst of conflict, IFAD's work continues.

The Syrian country programme invests in rural development through inclusive, sustainable systems for natural resource management, job creation and income generation. Its community-driven projects also promote gender equality, financial services for smallholders, and small and micro enterprises in rural areas.



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One notable initiative funded by IFAD, the Badia Rangelands Development Project, was designed to improve the living conditions of Bedouin herders by rehabilitating land that, historically, has sustained their households. As the land became increasingly degraded over time, herders' incomes diminished. In response, the integrated, participatory Badia project has encouraged herders to work together on rangeland development through reseeding and planting, improved herd management and other activities.

To support its inclusive approach and its emphasis on gender equality, IFAD has provided two grants for institutional strengthening and capacity-building through CARE and the Italian Association for Women in Development.

The Badia project's achievements have exceeded its objectives. The project has rehabilitated about 1.3 million hectares of rangelands, which have accommodated more than 4 million head of livestock, and it has improved the incomes of 27,000 families. At the same time, it has fostered a sense of ownership and responsibility among its participants, reducing the uncontrolled competition over natural resources that can lead to land degradation and conflict.

Within a vulnerable, fragile ecosystem characterized by frequent severe droughts – a sign of climate change – people in the Badia target group have enhanced their resilience and their ability to adapt. While they have managed to keep their livestock, herders outside the project area have been forced to reduce their stock by more than half in order to save the remaining herds.

IFAD in Tunisia

Since 1980, IFAD has provided US\$170.6 million in loan financing for 12 programmes and projects worth a total of US\$437.6 million in the Republic of Tunisia. These efforts have benefited nearly 111,850 households.

IFAD interventions in the country take a community-driven approach to improving smallholder farmers' crop and livestock production, conserving soil and water



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resources, and improving rural infrastructure. They also focus on diversifying sources of household income through the creation of small and micro enterprises both on and off the farm, as well as the provision of agricultural services.

One initiative in south-east Tunisia, the Agropastoral Development and Local Initiatives Promotion Programme, has supported the restoration of the natural pastures that are the foundation of the area's economy. Its goal: to improve agriculture and promote local initiatives generating income in small-scale agriculture and other sectors, such as crafts, services and ecotourism.

The programme has made a major impact on its target population through environmentally sustainable improvements in livestock routes, farm and feeder roads, and other infrastructure for nomadic livestock. Among its many benefits, the programme has reduced feed costs for small livestock by almost 40 per cent and cut herders' transport expenses by over 50 per cent. It has also increased irrigation in the project zone by 24 per cent, recharged local aquifers and expanded the cultivation area and yields of olive groves.

A particularly innovative programme activity created job opportunities for young women in the village of Guermassa by reviving a traditional variety of Berber embroidery. Prompt action by the project team overcame a series of marketing obstacles that emerged early in the process. Ultimately, the effort resulted in the start-up of 39 small enterprises led by women.

IFAD in Yemen

IFAD has worked in the Republic of Yemen since 1979, investing US\$258.1 million in loans for 23 programmes and projects with a total value of US\$854.9 million. These initiatives have benefited some 818,975 households.

IFAD's strategy in Yemen is to boost rural incomes, and food and nutrition security, by increasing economic and employment opportunities for poor rural women and men. It does so through investments in infrastructure, rural finance and value chain

In the field

Young women veterinary professionals break gender barriers in Yemen

Yemen's Al-Dhala governorate has two new veterinary professionals and will soon have six more, all of them young women. This unusual prospect is the result of an IFAD-supported project to improve living standards among economically vulnerable households.

The initiative was organized by Aiman, the community and gender development officer of the Al-Dhala Community Resource Management Project. Its purpose was to provide communities with qualified professionals to work with livestock and to raise women's skills through vocational training.

Putting the idea into practice required eight young women, aged between 17 and 23, to undertake

veterinary training in the capital, Sana'a, which did not appeal to their families. But Aiman was determined, and she convinced the families to let them make the trip, accompanied by male relatives. The second hurdle was admission to the training institute, which had never allowed female students to share classrooms with male counterparts. Aiman took up the issue with the Ministry of Agriculture, which said the institute was obliged to accept the women's applications.

Despite the worsening security situation in Yemen, two of the young women – Hassnaa and Asma – have gained their qualifications and returned home to use their new skills. Both have become a source of inspiration and knowledge in their communities. The other students are due to qualify in this year and next, following a period in which the training institute was closed because of security concerns.

development – as well as strengthening local institutions and improving access to basic services such as water, education and agricultural extension programmes. A cornerstone of the strategy is the Economic Opportunities Fund, a public-private partnership established to assist poor rural people.

Two key operations supported by IFAD in Yemen, the Dhamar Participatory Rural Development Project and the Al-Dhala Community Resources Management Project, have reached almost 100,000 households. These participatory projects have increased smallholders' access to new agricultural technologies that boost crop yields and water-use efficiency, provided access to finance and training for micro enterprises, and constructed rainwater harvesting systems to secure domestic water supplies.

IFAD is now working with the government and other partners to scale up both of these projects in other areas of Yemen.

In 2013, IFAD and the government began implementation of the 'YemenInvest' Rural Employment Programme. This new initiative is helping rural businesses access finance and technical assistance to create jobs in agriculture and the natural stone and handloom textile sectors. In the process, it is seeking to tackle Yemen's urgent unemployment crisis, taking one more step on the road to peace, stability and development.

What is IFAD?

IFAD is an international financial institution and a specialized United Nations agency dedicated to eradicating poverty and hunger in rural areas of developing countries. IFAD provides low-interest loans and grants to developing countries to finance innovative agricultural and rural development programmes and projects. It is among the top four multilateral institutions working in agriculture in Africa. In 2011, the largest share of new IFAD financing went to sub-Saharan Africa. The decision to create IFAD was made in 1974 in the wake of the great droughts and famines that struck Africa and Asia in the preceding years. At the 1974 World Food Conference, world leaders agreed that “an international fund ... should be established immediately to finance agricultural development projects.”

IFAD has a total membership of 173 countries from around the world. It is a unique partnership of members from the Organization of the Petroleum Exporting Countries (OPEC), other developing countries and the Organisation for Economic Co-operation and Development (OECD).

Despite the serious financial constraints faced by donors and governments, in its Ninth Replenishment IFAD received strong and renewed commitments from traditional donors, emerging economies and countries that are more often aid recipients.

IFAD brings the point of view of smallholder farmers and rural entrepreneurs to bear on international policy deliberations, and builds their capacity so that they themselves can engage in and influence relevant policy processes.

IFAD has its headquarters in Rome, Italy.



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