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## KEY MESSAGES

- Inequality holds back national growth and prevents economic development. Poor rural people are among the most marginalized groups but can act as catalysts of economic growth across developing countries when infrastructure, services and institutions are in place to enable them to contribute to development processes.
- The interests and rights of rural people need to be protected in development processes, especially by ensuring their voices – and that of institutions representing them – are part of development planning and implementation processes, and that necessary arrangements, partnerships and regulations are made to ensure they benefit equitably from development.
- Agrifood systems emerge as key for contributing to employment generation in the years ahead – especially in countries with youthful population bulges. To realize potential benefits, government policies and public and private investments need to provide relevant training, especially for young people, and opportunities to access entrepreneurial services such as tailored financial products.
- Smallholder farmers are among those most vulnerable to the impacts of climate change, but can also offer solutions in mitigating the drivers and adapting to the ongoing effects if the right investments are made to support their livelihoods.



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The High-Level Political Forum 2019 theme of “Empowering people and ensuring inclusiveness and equality” is pertinent; inequality, exclusion and power imbalance represent major impediments to reaching the ambitious targets of the Sustainable Development Goals (SDGs). Entrenched inequalities are unacceptable from a human rights and equity perspective and run counter to the central tenet of the 2030 Agenda for Sustainable Development – to leave no one behind. Additionally, inequalities hold back national growth, sustainable development and the generation of decent jobs.<sup>1</sup> And the lack of an institutional environment to include key segments of the population in political processes is linked to fragility and conflict, which in turn have been shown to be drivers of hunger.<sup>2</sup>

## INEQUALITY AND RURAL PEOPLE

Inequality and disempowerment particularly affect rural people. The latest updates from the World Bank on “poverty and shared prosperity 2018” report that: “Globally, extreme poverty continues to be disproportionately and overwhelmingly rural. The poverty rate in rural areas (17.2 per cent) is more than three times as high as that in urban areas (5.3 per cent)... rural areas account for 79 per cent of the total poor.”<sup>3</sup>

Key stakeholders in rural communities, including rural women, rural youth, smallholder farmers, indigenous peoples and rural landless workers, are among those most likely to be left behind. Indeed, the lack of progress in rural areas – and prevailing rural-urban disparities – has been cited as one of the reasons aggregate progress was held back in the Millennium Development Goal era.<sup>4</sup>

It is especially alarming that the prospects of children and youth in rural areas are often held back compared with children in urban areas: they are more likely to be out of school<sup>5</sup>

1 OECD. 2014. *Focus on Inequality and Growth*. December 2014. Paris: OECD.

2 FAO, IFAD, UNICEF, WFP and WHO. 2017. *The State of Food Security and Nutrition in the World 2017. Building Resilience for Peace and Food Security*. Rome, FAO.

3 World Bank. 2018. *Poverty and Shared Prosperity 2018: Piecing Together the Poverty Puzzle*. World Bank, Washington, D.C.: World Bank. p. 38.

4 UNECA/AU/AfDB/UNDP. 2015. *MDG Report 2015: Lessons Learned in Implementing the MDGs: Assessing Progress in Africa towards the Millennium Development Goals*. Addis Ababa: United Nations Economic Commission for Africa, African Union, African Development Bank and United Nations Development Programme.

5 Rural children remain twice as likely as urban children to be out of school. UNESCO. 2015. *2015 Global Monitoring Report: Education for all 2000-2015: Achievements and Challenges*. Paris: UNESCO. p. 8.

and to be involved in child labour, most of which is concentrated in agriculture.<sup>6</sup> The most pronounced inequalities occur when rurality intersects with other forms of marginalization, resulting from variables such as gender, ethnicity and age. For example, in most countries, while rural youth have lower literacy rates than urban youth, for rural female youth the situation is even more stark, with less than half having basic literacy skills, impeding employment and entrepreneurship prospects.<sup>7</sup>

Unfortunately, the already severe effects of climate change are serving to exacerbate inequalities. The predominance of natural resource-based and climate-reliant activities, especially in agriculture and linked sectors, in rural economies makes rural livelihoods more vulnerable to the unpredictable impacts of climate change. It is, moreover, also troubling from an ethical standpoint considering that those who contributed least to the causes of climate change are set to suffer disproportionately from its impacts.

Clearly, the world cannot afford to have these inequalities persist if the ambitions of the 2030 Agenda are to be realized, not least the commitment to leave no one behind.

This reality can be transformed. When rural communities benefit from investments, particularly linking them to commercial opportunities in agrifood systems across the rural-urban continuum, these inequalities can be reversed and rural areas can contribute to equitable and sustainable economic growth. The potential society-wide benefits of productive and prosperous rural areas that are linked to growing urban centres offer employment opportunities across agrifood value chains and in linked non-food industrial and service-based activities, and offer viable opportunities for women, youth, smallholders and indigenous peoples to benefit from trends, such as rising demand for rural products (especially food, but also natural resource-dependent services such as water and clean energy). To realize this potential and begin to move towards more equal, balanced and inclusive societies, several entry points emerge.

## ENTRY POINTS FOR POLICY AND INVESTMENT

### 1. Ensure development processes do no harm and respect the rights of all

Not only are rural stakeholders frequently excluded from development processes focused around the expansion of cities and industrial models of development, for example, but all too often their interests and livelihoods are harmed by these very processes. For instance, the extension of the boundaries of cities and related infrastructure projects to serve the needs of city residents frequently impedes upon the land rights of smallholder farmers and indigenous peoples. Even well-meaning initiatives to improve sustainability and preserve natural resource conservation through, for example, denoting areas rich in biodiversity as protected areas or utilizing watersheds for renewable energy generation, have all too often resulted in the loss of access to land and other natural resources that rural stakeholders rely upon for their livelihoods. In particular, smallholder farmers and indigenous peoples are frequently affected, though all too often they and their institutions – farmers’ organizations and indigenous peoples’ groups – are not afforded the opportunity to voice their concerns in planning processes.<sup>8</sup>

If inequalities are to be reduced and development is to leave no one behind, initiatives that benefit one group of stakeholders cannot be pursued if they result in loss of livelihoods (and violations of rights, as enshrined in multiple declarations adopted by the United Nations)<sup>9</sup> among other stakeholders. Taking into consideration the growing interconnectedness and interdependencies of rural and urban areas and stakeholders, there are growing opportunities to

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6 FAO. 2018. *Child Labour in Agriculture*. [Online]. Available at: [www.fao.org/childdlabouragriculture/en](http://www.fao.org/childdlabouragriculture/en). [Accessed 22 October 2018].

7 UNESCO. 2016. *Global Education Monitoring Report 2016: Education for People and Planet*. Paris: UNESCO p. 74.

8 Wapner, P. and Matthew, R.A. 2009. The Humanity of Global Environmental Ethics. *Journal of Environment and Development*, 18(2): 203-222.

9 For example, the United Nations Declaration on the Rights of Indigenous Peoples (adopted 2007) and the United Nations Declaration on the Rights of Peasants and Other People Working in Rural Areas (adopted 2018).

adopt development approaches and consultative processes that build synergies, minimize trade-offs and create opportunities for win-win solutions. Indeed, where rural and urban development work in complementarity, rather than in competition, opportunities for better food systems, employment generation, and shared use and management of natural resources can result.

Recommendations for public policies and investment:

- Take measures – using communication technologies where useful and feasible – to ensure stakeholders living in areas remote from centres of political and administrative processes are provided with space and opportunities to have their voices listened to in planning and policy processes; provide spaces for farmers’ organizations and indigenous peoples’ groups to participate in policy and planning processes.
- Work with local institutions, such as farmers’ organizations, indigenous peoples’ groups and water-user groups, to identify ways of recognizing and securing land rights, understanding that existing rights are often grounded in customary systems; consult the Committee on World Food Security Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) for this purpose (see box 1).
- Use human rights frameworks to augment more quantitative planning tools and ensure that development processes do not infringe upon the rights of traditionally vulnerable and excluded groups (such as indigenous people and smallholder farmers).
- Promote intersectoral coordination and exploit interdependencies between rural and urban areas – for example, in developing employment-rich, healthy and sustainable local food systems – in planning and investment processes, adopting territorial approaches to development.<sup>10</sup>

## **2. Invest in developing local food systems that create decent jobs, provide healthy food and contribute to more balanced and equitable relationships between rural and urban areas**

In many developing countries, the food system is the largest employer and will continue to be so during the 2030 Agenda period; the food system continues to be a major employer in many high-income countries too.<sup>11</sup> Food systems encompass activities along agrifood value chains – an increasing number of which are off-farm in economies where structural transformation is advancing – which are an increasingly prominent avenue for employment generation in countries where urbanization is progressing, incomes increasing and rural areas transforming. At the same time, smallholder family farming remains a major employer in many developing countries; the strategic importance of supporting family farmers has been recognized by the adoption of the United Nations Decade on Family Farming (2019-2028).<sup>12</sup>

Clearly, the creation of jobs will be crucial to promoting more equal societies. This is expected to be a particular challenge in many developing countries, especially in contexts where demographic pressures are set to expand the size of the labour market: in sub-Saharan Africa, 198 million people were projected to enter the labour market between 2017 and 2030, with the figure in Southern Asia at 166 million.<sup>13</sup> Crucially, ongoing urbanization and per capita income growth in these (and other) regions raise the demand for non-staple food

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10 “Territorial development can be understood as the development of a territory (including both areas that are ‘more rural’ and those that are ‘more urban’ in a defined region) by addressing the development of multiple sectors, implemented by a range of stakeholders and structured by multilevel governance – or governance that involves coordination and collaboration between local, regional and national level authorities and stakeholders.” Adapted from Suttie, D. and Hussein, K. 2016. *Territorial Approaches, Rural-Urban Linkages and Inclusive Rural Transformation: Ensuring that Rural People Have a Voice in National Development in the Context of the SDGs*. Rome: IFAD.

11 Townsend, R., Benfica, R.M., Prasann, A., Lee, M. and Shah, P. 2017. *Future of Food: Shaping the Food System to Deliver Jobs*. Washington, D.C.: World Bank Group.

12 Adopted unanimously by the United Nations General Assembly on 20 December 2017. See: [https://digitallibrary.un.org/record/1479766/files/A\\_RES\\_72\\_239-EN.pdf](https://digitallibrary.un.org/record/1479766/files/A_RES_72_239-EN.pdf).

13 ILO. 2017. *Global Employment Trends for Youth 2017: Paths to a Better Working Future*. Geneva: ILO.

### **Box 1. The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security**

The purpose of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) is to serve as a reference and to provide guidance to improve the governance of tenure of land, fisheries and forests.

The VGGT are intended to advance the principles of sustainable development and with the recognition of the centrality of land to development by promoting secure tenure rights and equitable access to land, fisheries and forests, especially among rural people. The livelihoods of many, particularly poor rural people, are based on secure and equitable access to and control over these resources, which are sources of food and shelter, the basis for social, cultural and religious practices and a central factor in equitable growth.

Many tenure problems arise because of weak governance, and attempts to address tenure problems are affected by the quality of governance. Weak governance adversely affects social stability, equality, sustainable use of the environment, investment and economic growth. People can be condemned to a life of social and economic exclusion if they lose their tenure rights to their homes, land, fisheries and forests and their livelihoods because of corrupt tenure practices or if implementing agencies fail to protect their tenure rights. With this in mind, the VGGT promote sustainable social and economic development that can help reduce inequality and encourages responsible investment and inclusive economic growth.

The VGGT promote responsible governance of tenure of land, fisheries and forests, with respect to all forms of tenure: public, private, communal, indigenous, customary and informal. They serve as a reference and set out principles and internationally accepted standards for practices for the responsible governance of tenure, providing a framework that states can use when developing their own strategies, policies, legislation, programmes and activities. They allow governments, civil society, the private sector and citizens to judge whether their proposed actions and the actions of others constitute acceptable practices.

The VGGT were endorsed by the Committee on World Food Security at its Thirty-eighth (Special) Session on 11 May 2012.

The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security are available at [www.fao.org/docrep/016/i2801e/i2801e.pdf](http://www.fao.org/docrep/016/i2801e/i2801e.pdf).

products – for example, dairy and meat – and bring potential for job creation in non-farm commercial activities across agrifood value chains. Better linkages between rural and urban areas are a precondition to realizing the benefits associated with these trends – with growing secondary towns offering scope to contribute to more dynamic connections<sup>14</sup> – as is the need to improve the quality of jobs related to food systems and enable key stakeholders such as young people and women to access these jobs, including by improving their access to relevant rural education and training.

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<sup>14</sup> Small towns with fewer than half a million inhabitants will account for most of the projected urban growth in the decades ahead (UN-DESA. 2014. *World Urbanization Prospects: 2014 Revision*. New York, UN-DESA Population Division); many of these towns tend to be located at the interface of rural and urban areas and act as intermediaries between them. Tacoli, C. 2017. *Why Small Towns Matter: Urbanisation, Rural Transformation and Food Security*. Rome and London: IIED and IFAD.

Recommendations for public policy and investment:

- Invest in rural infrastructure to support food production and marketing, focusing on road and communication networks to link producers and consumers and post-harvest infrastructure; consider conditions, partnerships and arrangements required to encourage private-sector engagement in these investments.
- Encourage local entrepreneurship in food systems through programmes combining provision of services – access to financial products, including climate-based insurance products, inputs, markets and training – facilitating private-sector engagement through partnerships and incentives and supporting the involvement of national committees on family farming; tailor provision to the requirements of youth and exploit the potential role of secondary towns at the rural-urban interface as centres offering these services.
- Address gender gaps in agricultural and rural work by implementing laws guaranteeing gender equality in inheritance and property rights, prioritize initiatives to reduce rural women’s non-economic workloads,<sup>15</sup> promote cash transfer programmes aimed at rural women, engage with women’s grass-roots organizations and create spaces for these groups to participate in political discourses, and invest in improving statistical collection systems to make available sex-disaggregated rural employment data.
- Enhance the reach, quality and relevance of both basic education and specialized training in rural areas, targeting young rural people with initiatives to develop their capacities in areas such as sustainable food production, marketing and agri-entrepreneurship, including by using digital technologies to enhance the reach of programmes, and foster youth interest in careers within agrifood systems, collaborating with groups such as national committees on family farming and rural advisory services providers.

### **3. Enable vulnerable rural producers to adapt to the effects of climate change and contribute to climate change mitigation**

Rural people, most notably smallholder farmers, operate in some of the most climatically vulnerable areas of the world – in tropical regions, on low-lying coastal plains, and in areas vulnerable to extreme and slow onset weather events. Their work, by its very nature, is highly dependent on the vagaries of climatic and weather conditions. As such, and bearing in mind the key contribution smallholders make to global food production (producing more than 70 per cent of the food calories produced in Latin America, sub-Saharan Africa, and South and East Asia, and being responsible for more than half of the food calories produced globally),<sup>16</sup> it is unfortunate that insufficient investment has been committed thus far to enable food producers to adapt to the increasingly damaging impacts on their production systems.

Much potential exists for smallholder systems to be part of the solution to reducing emissions from agriculture, and to enabling food production systems to adapt to the already stark impacts of climate change. For example, community-based adaptation, farmer initiatives to improve water-use efficiency,<sup>17</sup> including through local water user associations, and the promotion of agroforestry among smallholders<sup>18</sup> have been acknowledged as holding much

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15 For more information, see IFAD. 2016. *Reducing Rural Women’s Domestic Workload Through Labour-Saving Technologies and Practices*. Rome: IFAD. (Available at: [https://www.ifad.org/documents/38714170/40196082/Teaser\\_workload\\_web.pdf/c8b175be-f4cf-4f97-a3bf-d6720cc08aaf](https://www.ifad.org/documents/38714170/40196082/Teaser_workload_web.pdf/c8b175be-f4cf-4f97-a3bf-d6720cc08aaf).)

16 Samberg et al. 2016. *Subnational Distribution of Average Farm Size and Smallholder Contributions to Global Food Production*. Environmental Research Letters, Vol. 11(12). <http://iopscience.iop.org/article/10.1088/1748-9326/11/12/124010/meta>.

17 The “IPCC Special Report on Global Warming of 1.5°C” acknowledged that community-based adaptation and farmers adopting new practices offer much potential for effective adaptation, as well as emphasizing that “improving productivity of existing agricultural systems generally reduces the emissions intensity of food production ... while offering strong synergies with rural development”. IPCC. 2018. *IPCC Special Report on Global Warming of 1.5°C. Summary for policymakers*. Available at: [http://report.ipcc.ch/sr15/pdf/sr15\\_spm\\_final.pdf](http://report.ipcc.ch/sr15/pdf/sr15_spm_final.pdf). (Accessed 16 October 2018).

18 Lasco, R.D., Delfino, R.J.P. and Espaldon, M.L.O. 2014. Agroforestry Systems: Helping Smallholders Adapt to Climate Risks While Mitigating Climate Change. *Wiley Interdisciplinary Reviews: Climate Change*, 5(6): 825-833.

potential, bringing together enhanced adaptive capacity, climate mitigation benefits, and better land and water use.<sup>19</sup> But in order to scale up solutions to protecting rural people from the impacts of climate change, and harness the role they must play in global mitigation efforts, the right investments and policies must be in place.

Recommendations for public policy and investment:

- Invest in more and better tools for risk management in agriculture in particular, and rural areas in general (see box 2).

## **Box 2. The Platform for Agricultural Risk Management**

The Platform for Agricultural Risk Management (PARM), an outcome of the G8 and G20 discussions on food security and agricultural growth, is a four-year multi-donor partnership between the European Commission, the French Development Agency, the Italian Development Cooperation, the International Fund for Agricultural Development, the New Partnership for Africa's Development and the development partners to make risk management an integral part of policy planning and implementation in the agricultural sector.

PARM's mandate is to strengthen agricultural risk management through knowledge-sharing and capacity-building activities to improve the human capital of all the stakeholders that can contribute to a better agricultural risk management system, in particular, vulnerable rural households.

In order to achieve the objective of mainstreaming agricultural risk management into policy frameworks, the PARM secretariat collaborates with partners to implement three main activities.

### **1. Knowledge management**

Given PARM's strong mandate of knowledge broker and facilitator, the PARM knowledge management strategy is directly linked to the process in each country and includes the development and exchange of methodologies and technical studies, engagement in international forums related to agricultural risk management, and implementation of a capacity development strategy.

### **2. Capacity development**

Capacity development is an essential part of PARM activities and aims at empowering farmers, governments and stakeholders to manage their risks and develop effective strategies and tools. For each country, capacity development actions are implemented at every phase of the PARM process, in accordance with local needs.

### **3. PARM process**

The PARM process embeds both knowledge management and capacity development. It is designed in a flexible way to respond to country context and to the corresponding policy and political processes, and comprises five main phases – setting up, risk assessment, tools assessment, follow-up and implementation.

The PARM activities are complementary and coordinated with previous or ongoing agricultural risk management activities in the country.

For more information, see <http://p4arm.org>.

<sup>19</sup> Research on the outcomes of efforts to engage Chinese smallholders in simultaneously addressing production and pollution problems reports increased yields and reduced greenhouse gas emissions for over 20 million smallholders covered in the study. Cui, Z. et al. 2018. Pursuing Sustainable Productivity with Millions of Smallholder Farmers. *Nature*, March 15: 555 [7696]: 363-366.



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- Promote and support appropriate institutions and norms to encourage transitions to new agroecological approaches for climate mitigation, linked to investments to enable climate adaptation in risk-prone rural contexts.
- Invest in tailored social protection programmes – aimed at smallholders and vulnerable rural people – that link the provision of training, employment access, financial services and transfer of productive assets, where feasible, to protect livelihoods, encourage adoption of sustainable practices and avoid negative impacts.

## IN CONCLUSION

At the heart of the 2030 Agenda is a vision of societies where people are empowered to address the challenges they face and contribute to a more sustainable world. Rural people – given their role on the frontline of food production, climate adaptation and mitigation, and environmental protection, and considering the particular vulnerabilities they face as a result of these and their limited visibility in the spheres of political influence – must be recognized as key protagonists in achieving this vision.

The world cannot afford a future where rural areas are synonymous with poor access to services, infrastructure and limited employment opportunities, while remaining exposed to the increasingly severe impacts of climate change. Addressing these realities, all too prevalent considering the continued alarming development gaps between rural and urban areas, must be a matter of priority not only to fulfil the 2030 Agenda's central promise to leave no one behind, but to harness the role of empowered rural women and men as key agents of positive change, who can contribute to more equal societies, generate jobs through thriving agrifood systems, advance solutions to reduce the impacts of agriculture on the environment while producing healthy, affordable food and adapting activities and lifestyles to the ongoing effects of climate change. Only through targeted and tailored policies and investments that respond to the opportunities of investing in rural people can this vision be realized.



International Fund for Agricultural  
Development

Via Paolo di Dono, 44

00142 Rome, Italy

Tel: +39 06 54591

Fax: +39 06 5043463

Email: [ifad@ifad.org](mailto:ifad@ifad.org)

[www.ifad.org](http://www.ifad.org)

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