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Eradication of poverty and other development issues

Eradicating rural poverty to implement the 2030 Agenda for Sustainable Development

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution [76/219](#) and contains an examination of the current state of rural poverty, especially in developing countries, and policy recommendations to overcome the numerous gaps and challenges, with a specific focus on the link between poverty and inequality.

* [A/77/150](#).



I. Addressing rising inequalities to accelerate the eradication of rural poverty and achieve the 2030 Agenda for Sustainable Development

1. The present report contains an examination of the current status of progress made towards achieving Sustainable Development Goal 1 in rural areas, as requested by the General Assembly in its resolution 76/219.
2. It is estimated that in 2020 the coronavirus disease (COVID-19) pandemic pushed over 90 million additional people into extreme poverty.¹ Moreover, additional food price shocks could drive even more people into poverty.² The immediate impacts in rural areas are frequently borne by the poorest.³
3. For the first time in more than 20 years, global income inequality has increased.⁴ Poverty projections that do not take into account growing income inequality likely underestimate the pandemic's impact on global extreme poverty.⁵
4. The pandemic is disproportionately affecting the most socially and economically vulnerable populations, in particular women, young people and the poorest households,^{6,7} in both rural and urban areas.^{8,9} The poorest and those in vulnerable situations, the majority of whom live in rural areas, are recovering their income and job losses at a slower rate than the richest.¹⁰
5. Evidence shows that addressing income and wealth inequalities within and among countries is paramount in the fight against extreme poverty. Economic growth is less effective in reducing poverty in the context of high inequality.^{11,12,13}
6. Ambitions must be raised and strategies reassessed to achieve Goal 1 in rural areas. In line with Our Common Agenda, the shared United Nations system framework for action on equality and non-discrimination, and the follow-up to the

¹ Daniel Gerszon Mahler and others, "Pandemic, prices, and poverty", World Bank, 13 April 2022.

² Ibid.

³ Sonia Akter and Syed Abul Basher, "The impacts of food price and income shocks on household food security and economic well-being: evidence from rural Bangladesh", *Global Environmental Change*, vol. 25 (2014).

⁴ World Bank, *Global Economic Prospects* (World Bank, Washington, D.C., 2022).

⁵ Ambar Narayan and others, "COVID-19 and economic inequality: short-term impacts with long-term consequences", policy research working paper No. 9902, World Bank, Washington, D.C., 2022.

⁶ Maurice Kugler and others, "How did the COVID-19 crisis affect different types of workers in the developing world?", policy research working paper, No.60, World Bank, Washington, D.C., 2021.

⁷ Tom Bundervoet, Maria E. Dávalos and Natalia Garcia, "The short-term impacts of COVID-19 on households in developing countries: an overview based on a harmonized dataset of high-frequency surveys", *World Development*, vol. 153 (2022).

⁸ Mywish K. Maredia and others, "COVID-19's impacts on incomes and food consumption in urban and rural areas are surprisingly similar: evidence from five African countries", *Global Food Security*, vol. 33 (June 2022).

⁹ James Hammond and others, "Perceived effects of COVID-19 restrictions on smallholder farmers: evidence from seven lower- and middle-income countries", *Agricultural Systems*, vol. 198, issue C (April 2022).

¹⁰ Carolina Sánchez-Páramo and others, "COVID-19 leaves a legacy of rising poverty and widening inequality", World Bank, October 2021.

¹¹ Augustin Kwasi Fosu, "Growth, inequality, and poverty reduction in developing countries: recent global evidence", *Research in Economics*, vol. 71, No. 2 (2017).

¹² Katy Bergstrom, "The role of inequality for poverty reduction", policy research working paper No. 9409, World Bank, Washington, D.C., 2020.

¹³ Christoph Lakner and others, "How much does reducing inequality matter for global poverty?", *The Journal of Economic Inequality*, 2022.

United Nations Food Systems Summit, in particular the need to advance equitable livelihoods, decent work and empowered communities, and to build resilience to vulnerabilities, shocks and stresses,¹⁴ in the present report, the Secretary-General calls attention to the threat to the eradication of rural poverty posed by rising inequalities in multiple dimensions.

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

7. Between 1990 and 2018, the incidence of extreme poverty declined from 35.9 per cent to 8.6 per cent of the global population (from 1.9 billion to 659 million people).¹⁵ This progress was uneven across regions, however, with nearly 90 per cent of the world's extreme poor now living in sub-Saharan Africa and South Asia. Over the same period, conflicts in the Syrian Arab Republic and Yemen increased the incidence of extreme poverty in the Middle East and North Africa from 2.1 per cent to 7.1 per cent.

8. The pandemic reversed hard-won gains in poverty reduction at the global level. In 2021, extreme poverty shot up to 9.1 per cent globally,¹⁶ with the majority of the increase occurring in the Middle East and North Africa and sub-Saharan Africa.¹⁷ An additional 163 million people live on less than \$5.50 a day because of the pandemic and are vulnerable to falling into extreme poverty.¹⁸ The share of workers living in extreme poverty increased from 6.7 per cent in 2019 to 7.2 per cent in 2020.¹⁹ The latest projections suggest that between 75 and 95 million additional people are living in extreme poverty in 2022 because of the pandemic and the precarious recovery, compounded by high food price inflation and the effects of the war in Ukraine.²⁰

9. Extreme poverty is overwhelmingly a rural phenomenon. Globally, more than 80 per cent of the world's extreme poor (those living on less than \$1.90 per day) and 84 per cent of those in acute multidimensional poverty live in rural areas.²¹

10. Before the pandemic, poverty was becoming even more rural. Between 2015 and 2018, the share of the rural poor in the total population of those living in poverty rose by more than two percentage points,²² highlighting failures in the fight against rural poverty even before the pandemic and the recent unfolding crises.

¹⁴ United Nations, "Secretary-General's chair summary and statement of action on the United Nations Food Systems Summit", 23 September 2021.

¹⁵ World Bank, Poverty and Inequality Platform. Available at <https://pip.worldbank.org/#home>.

¹⁶ Based on projections contained in Sánchez-Páramo and others, "COVID-19 leaves a legacy of rising poverty and widening inequality".

¹⁷ Daniel Gerszon Mahler and others, "Updated estimates of the impact of COVID-19 on global poverty: turning the corner on the pandemic in 2021?", World Bank, 24 June 2021.

¹⁸ Sánchez-Páramo and others, "COVID-19 leaves a legacy of rising poverty and widening inequality".

¹⁹ International Labour Organization (ILO), *World Employment and Social Outlook: Trends 2022* (Geneva, 2022).

²⁰ Mahler and others, "Pandemic, prices, and poverty".

²¹ United Nations Development Programme (UNDP) and the Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2021: Unmasking Disparities by Ethnicity, Caste and Gender* (UNDP and the Oxford Poverty and Human Development Initiative, 2021).

²² World Bank, *Poverty and Shared Prosperity 2020: Reversals of Fortune* (Washington, D.C., International Bank for Reconstruction and Development and World Bank, 2020).

11. Both the incidence and the intensity²³ of multidimensional poverty are consistently higher in rural areas than in urban areas in all regions.²⁴ The rural poor face social exclusion and geographical remoteness, own few assets and have inadequate access to productive resources, low levels of education and inadequate health and nutrition.²⁵ For example, 39 per cent of poor rural adults have no education, which is more than double the share of poor urban adults with no education.²⁶ Rural women are particularly disadvantaged. According to data for the period 2013–2018, in 20 countries, mostly in sub-Saharan Africa, less than 1 per cent of poor, rural young women had completed upper secondary school.²⁷

12. Most of the rural poor are family farmers, subsistence-oriented producers and agricultural workers, which include fisherfolk, pastoralists and forest-dependent people. Over 90 per cent of those living in extreme poverty, including indigenous peoples, ethnic minorities and landless farmers, depend heavily on forests for food, fodder, shelter, energy, medicine and income.²⁸ Agrifood systems and natural resources are central to their livelihoods, but they are increasingly exposed to the overexploitation of natural resources and climate change.

13. Children and young people are overrepresented among the poor.²⁹ About half of those living in acute multidimensional poverty are children under 18 years of age.³⁰

14. Women and, in particular, girls are also overrepresented among the poor globally and across most regions.^{31,32}

III. Major challenges in eradicating rural poverty

15. Widening inequalities in multiple dimensions constitute major challenges to the eradication of rural poverty, as they directly hinder poverty eradication efforts and compound growing income and wealth inequalities.

A. Data

16. Notwithstanding improvements made in disaggregating data on multidimensional poverty by rural and urban areas,^{33,34} the monitoring of progress made in rural poverty

²³ The incidence of poverty is the percentage of people who are poor; the intensity is the average share of weighted indicators of which poor people are deprived.

²⁴ UNDP and Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2021*.

²⁵ United Nations Children's Fund (UNICEF), "Advantage or paradox? The challenge for children and young people of growing up urban", November 2018.

²⁶ World Bank, *Poverty and Shared Prosperity 2020*.

²⁷ United Nations Educational, Scientific and Cultural Organization (UNESCO). *Global Education Monitoring Report, 2020: Inclusion and Education: All means All* (Paris, UNESCO, 2020).

²⁸ Food and Agriculture Organization of the United Nations (FAO) and United Nations Environment Programme (UNEP), *The State of the World's Forests 2020: Forests, Biodiversity and People* (FAO, Rome, 2020).

²⁹ World Bank, *Poverty and Shared Prosperity 2020*.

³⁰ UNDP and Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2021*.

³¹ World Bank, *Poverty and Shared Prosperity 2020*.

³² United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), *Beyond Covid-19: A Feminist Plan for Sustainability and Social Justice* (UN-Women, 2021).

³³ UNDP and Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2021*.

³⁴ FAO and Oxford Poverty and Human Development Initiative, *Measuring Rural Poverty with a Multidimensional Approach: The Rural Multidimensional Poverty Index*, FAO Statistical Development Series, No.19 (Rome, FAO, 2022).

reduction and inequalities globally continues to be challenging. In one review of 673 household surveys in 133 countries, only 70 per cent of the surveys collected data disaggregated by urban or rural place of residence, and 58 per cent collected data disaggregated by wealth.³⁵ There is no cross-country harmonized definition of rural areas,³⁶ and the lack of price data disaggregated by rural and urban areas limits the accuracy of cost-of-living adjustments.

17. Measuring employment, work and earnings in rural areas through traditional household surveys is complex, as rural livelihoods encompass a multiplicity of activities, including self-employment and wage employment, the contribution of family work in a range of agriculture value chains and non-agricultural enterprises, and unpaid domestic and care work. National household surveys often provide only limited data on agricultural subsectors.

18. Data on discrimination, vulnerability, marginalization and inequality based on one's background, such as sex, age, indigenous status, disability status, ethnicity or race, religion and lack of legal identity,³⁷ the latter being a catalytic factor for inequalities in a range of domains, are often not collected or not utilized in the production of statistics.

19. Although globally various inequality databases do exist,³⁸ Governments do not regularly publish inequality statistics.

20. The pandemic reduced data availability and increased data inequality.³⁹ Relatively few countries implemented household surveys in 2020 and 2021.⁴⁰ While the COVID-19 pandemic induced the scaling up of less conventional methods of data collection, such as telephone surveys and big data, these are complementary to, not substitutes for, more comprehensive household surveys.

B. Education

21. The COVID-19 pandemic inflicted unprecedented learning losses globally. In a study encompassing 157 countries, it was estimated that the pandemic could have led to a loss of between 0.3 and 0.9 years of schooling when adjusted for quality of learning.⁴¹ Learning losses were proportional to the length of school closures and were particularly high in low-income countries, where there was often a larger digital divide and where even before the pandemic over half of children were living in learning poverty.⁴²

³⁵ World Health Organization (WHO), *SCORE for Health Data Technical Package: Global Report on Health Data Systems and Capacity, 2020* (Geneva, WHO, 2021).

³⁶ Ayala Wineman, Didier Yélognisè Alia and C. Leigh Anderson, "Definitions of 'rural' and 'urban' and understandings of economic transformation: evidence from Tanzania", *Journal of Rural Studies*, vol. 79 (October 2020).

³⁷ World Bank, *Global ID Coverage, Barriers, and Use by the Numbers: An In-Depth Look at the 2017 ID4D-Findex Survey* (Washington, D.C., World Bank, 2019).

³⁸ E.g. the World Institute for Development Economics Research World Income Inequality Database, the World Bank's PovcalNet tool and the Luxembourg Income Study.

³⁹ Haishan Fu and Stefan Schweinfest, "COVID-19 widens gulf of global data inequality, while national statistical offices step up to meet new data demands", World Bank, 5 June 2020.

⁴⁰ World Bank, "Update to the poverty and inequality platform (PIP): what's new", global poverty monitoring technical note, World Bank, Washington, D.C., April 2022.

⁴¹ João Pedro Azevedo and others, "Simulating the potential impacts of COVID-19 school closures on schooling and learning outcomes: a set of global estimates", *The World Bank Research Observer*, vol. 36, No. 1 (2021).

⁴² World Bank, UNESCO and UNICEF, *The State of the Global Education Crisis: A Path to Recovery* (Washington, D.C., Paris and New York; World Bank, UNESCO and UNICEF; 2021).

22. Evidence from telephone surveys shows larger human capital losses related to school closures among the poorest and among children in rural areas,^{43,44,45} undermining poverty reduction efforts in the medium and long term. Analyses of high-frequency survey data from 31 countries show that children of parents with secondary education and children in urban areas were, respectively, six and seven percentage points more likely to continue learning during school closures compared with children whose parents had lower educational attainment or who lived in rural areas.⁴⁶

23. School closures have been linked to additional unintended negative consequences, including increases in child labour, early marriage and exploitation. In a survey conducted in eight West African countries, many children reported working because there was no school.⁴⁷ In a study conducted in five African countries, 71 per cent of adults and 52 per cent of youth respondents reported increased economic and sexual exploitation of girls for food in rural and informal settlements, owing to school closures and the end of school feeding programmes.⁴⁸ Once children leave school, it can be very difficult for them to resume their education.⁴⁹

C. Health

24. Rural/urban health inequities are a result of weaker health systems in rural areas, as well as adverse socioeconomic and environmental conditions.

25. An estimated 2 billion people living in rural areas around the world do not have adequate access to essential health services.⁵⁰ An estimated 56 per cent of the global rural population lacks health coverage, compared with 22 per cent of the urban population, and rural populations in Africa are the most disadvantaged in health coverage.⁵¹ Globally, half of the rural population lacks access to urgent care, owing to shortages of health-care personnel in rural areas.⁵² The COVID-19 pandemic has exposed and magnified chronic underinvestment in health systems in rural disadvantaged areas.⁵³ The reproductive, maternal, newborn and child health composite coverage index tends to be lower among the poorest, the least educated

⁴³ Janice Kim and others, “Learning inequalities widen following COVID-19 school closures in Ethiopia”, RISE Programme, 4 May 2021.

⁴⁴ Arden Finn and Andrew Zadel, “Monitoring COVID-19 impacts on households in Zambia, report No. 1: results from a high-frequency phone survey of households”, knowledge note prepared for the World Bank, Washington, D.C., 2020.

⁴⁵ Gbemisola Oseni Siwatu and others, “Impact of COVID-19 on Nigerian households: baseline results”, paper prepared for the World Bank, Washington, D.C., May 2020, available at <http://documents.worldbank.org/curated/en/781421591886886760/Baseline-Results>.

⁴⁶ Bundervoet, Dávalos and Garcia, “The short-term impacts of COVID-19 on households in developing countries”.

⁴⁷ Rebekkah Bernheim and Karina Padilla, *Act Now: Experiences and Recommendations of Girls and Boys in West Africa during COVID-19* (World Vision International, 2020).

⁴⁸ MIET Africa, *The Impact of COVID-19 on Adolescents and Young People in the Southern African Development Community Region* (Durban, South Africa, 2021).

⁴⁹ Sylvian Dessy and others, “COVID-19 and children’s school resilience: evidence from Nigeria”, GLO Discussion Paper, No. 952 (Essen, Germany, Global Labour Organization, 2021).

⁵⁰ WHO, *WHO Guideline on Health Workforce Development, Attraction, Recruitment and Retention in Rural and Remote Areas* (Geneva, 2021).

⁵¹ Xenia Scheil-Adlung, “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 (Geneva, ILO, 2015).

⁵² Ibid.

⁵³ United Nations, “Tackling inequalities in public service coverage to ‘build forward better’ for the rural poor: policy brief by the HLCP Inequalities Task Team”, 2021.

and those in rural areas.⁵⁴ Prompt care-seeking for malaria was lower among young children from the poorest, least educated and rural households.⁵⁵

26. Health is strongly associated with productivity and growth,⁵⁶ and protecting investments in health, including in times of economic crisis, has an economic multiplier effect.⁵⁷ Lack of attention to health inequalities will lead to a growing rural/urban divide over time.

D. Food security and nutrition

27. Consistent with projected increases in extreme poverty, the prevalence of undernourishment increased globally from 8.0 per cent in 2019 to 9.3 per cent in 2020 and 9.8 per cent in 2021. Projections suggest that between 702 and 828 million people experienced hunger in 2021, about 150 million more people than in 2019.⁵⁸

28. The global prevalence of moderate or severe food insecurity increased from 25.4 per cent in 2019 to 29.5 per cent in 2020, though it had been on the rise since 2016. The prevalence of severe food insecurity reached 11.7 per cent in 2021, with 207 million more people affected since the start of the pandemic. There are glaring inequalities in food security and nutrition between rural and urban areas and on the basis of wealth status. Stunted children are more likely to live in low-income or lower-middle-income countries and to reside in rural areas. In 2019, 30 per cent of women of reproductive age were affected by anaemia, and those suffering from anaemia were more likely to reside in rural settings and in poorer households and to have no formal education.⁵⁹

29. The realization of the right to adequate food for all people has been severely affected. The cost of a healthy diet increased by 6.7 per cent globally between 2017 and 2020. Around 3.1 billion people could not afford healthy diets in 2020, including 80 per cent of the population in Africa and 44 per cent of the population in Asia.⁶⁰ The poorest spend a larger share of income on food, which means that even a small increase in food prices can be devastating.⁶¹ As early as April 2020, rural households in many countries were forced to miss meals or reduce portions to cope with the crisis.⁶²

30. Additional pressures on food prices owing to continued supply chain issues, climate-related disasters and conflict – including the war in Ukraine, which involves two of the leading producers of agricultural commodities in the world – are making food even less affordable, as evidenced by the historically high values of the Food

⁵⁴ WHO and World Bank, *Tracking Universal Health Coverage: 2021 Global Monitoring Report* (Geneva, WHO, 2021).

⁵⁵ WHO and The Global Fund, *State of Inequality: HIV, Tuberculosis and Malaria* (Geneva, WHO, 2021).

⁵⁶ For example, Seema Narayan, Paresh Kumar Narayan and Sagarika Mishra, “Investigating the relationship between health and economic growth: empirical evidence from a panel of 5 Asian countries”, *Journal of Asian Economics*, vol. 21, No. 4 (August 2010).

⁵⁷ David Stuckler, Aaron Reeves and Martin McKee, “Social and economic multipliers: what they are and why they are important for health policy in Europe”, *Scandinavian Journal of Public Health*, vol. 45, supplement 18 (2017).

⁵⁸ FAO and others, *The State of Food Security and Nutrition in the World 2022: Repurposing Food and Agricultural Policies to Make Healthy Diets More Affordable* (Rome, FAO, 2022).

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ Albert Zezza and others, “The impact of rising food prices on the poor”, paper presented at the International Agricultural Economists Conference, Beijing, August 2009.

⁶² Dennis Egger and others, “Falling living standards during the COVID-19 crisis: quantitative evidence from nine developing countries”, *Science Advances*, vol. 7, No. 6 (February 2021).

and Agriculture Organization of the United Nations (FAO) food price index.⁶³ This situation is increasing the likelihood of more hunger and more inequality. Even net-seller, small-scale farmers may struggle to capture the benefits of rising food prices, because they face significant price volatility owing to their weak bargaining positions in value chains^{64,65} and increasing input costs.⁶⁶

31. Undernutrition, especially in early childhood, is linked to lifelong losses in human development and economic outcomes,^{67,68} pointing to long-term negative impacts on economic growth and equality.

E. Gender, indigenous peoples and inclusion

32. Poverty is strongly correlated with gender. Two thirds of multidimensionally poor people globally (836 million people) live in households in which no girl or woman has completed at least six years of schooling.⁶⁹

33. Discriminatory gender norms and legal frameworks, and gender inequalities in control over productive resources and access to markets and technologies, limit the economic empowerment of rural women.⁷⁰ With few exceptions, across all countries where sex-disaggregated data are available, fewer women than men report land ownership rights. A review encompassing 36 countries confirms that legal frameworks offer only low to medium guarantees for women's equal rights to land, including through inheritance. Women small-scale producers are on average as productive as men, but their incomes are systematically lower.⁷¹ Moreover, the gap in food security between women and men has grown as a result of the COVID-19 pandemic.⁷²

34. Women, especially young women, are among the worst affected by the pandemic, and their recovery has been among the slowest.⁷³ Moreover, women, in particular those living in rural areas, shoulder a disproportionate burden of unpaid care and domestic work.^{74,75} This burden increased during the COVID-19 crisis,

⁶³ FAO, "FAO food price indices", World Food Situation database. Available at www.fao.org/worldfoodsituation/en/ (accessed on 17 June 2022).

⁶⁴ Jeffrey Alwang and George W. Norton, "What types of safety nets would be most efficient and effective for protecting small farmers and the poor against volatile food prices?", *Food Security*, vol. 3, supplement 1 (February 2011).

⁶⁵ *Global Sustainable Development Report 2019: The Future is Now – Science for Achieving Sustainable Development* (United Nations publication, 2019).

⁶⁶ Sonia Akter and Syed Abul Basher, "The impacts of food price and income shocks on household food security and economic well-being: evidence from rural Bangladesh", *Global Environmental Change*, vol. 25 (March 2014).

⁶⁷ Arindam Nandi and others, "The human capital and productivity benefits of early childhood nutritional interventions", in *Child and Adolescent Health and Development*, Disease Control Priorities, 3rd ed., Donald A.P. Bundy and others, eds. (Washington, D.C., World Bank, 2017).

⁶⁸ Mark E. McGovern and others, "A review of the evidence linking child stunting to economic outcomes", *International Journal of Epidemiology*, vol. 46, No. 4 (August 2017).

⁶⁹ UNDP and the Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2021*.

⁷⁰ ILO, "Empowering women in the rural economy", 19 November 2019.

⁷¹ FAO, *Tracking Progress on Food and Agriculture-Related SDG Indicators 2021: A Report on the Indicators under FAO Custodianship* (Rome, 2021).

⁷² FAO and others, *The State of Food Security and Nutrition in the World 2022*.

⁷³ ILO, *World Employment and Social Outlook*.

⁷⁴ UN-Women, "Whose time to care? Unpaid care and domestic work during COVID-19", 2020.

⁷⁵ FAO, "Data snapshot using sex-disaggregated data to better understand gender gaps in agriculture", 2022.

further hindering their capacity, agency and access to decent employment opportunities in the rural economy.^{76,77}

35. The systemic lack of recognition of the distinct rights of indigenous peoples – in particular to self-determination; collective tenure over land, territories, and resources; and free, prior and informed consent, among other rights – places indigenous peoples in situations of vulnerability, poverty, conflict and food insecurity. Calculated on the basis of data for 23 countries, representing 83 per cent of the global indigenous population, indigenous peoples constitute 9.3 per cent of the population but almost 19 per cent of the extreme poor. Over 73.4 per cent of the global indigenous population lives in rural areas.⁷⁸ Indigenous peoples face significant obstacles in performing their traditional occupations and in gaining access to decent work opportunities, education and social protection – a situation aggravated by the COVID-19 crisis.⁷⁹

36. Ethnic minorities, migrants and non-sedentary peoples are among the most vulnerable populations in rural areas. Statistics on multidimensional poverty from 41 countries show that 70 per cent or more of the populations that belong to ethnic groups are multidimensionally poor.⁸⁰

F. Social protection

37. Access to social protection is positively related to both poverty eradication and inequality reduction,^{81,82} as it can reduce vulnerabilities throughout the life cycle, mitigate negative coping strategies in times of shock (such as reduction in consumption, the selling of assets, child labour and unchosen migration), promote human capabilities and enable productive investments.^{83,84}

38. In Asia and the Pacific, the most vulnerable populations frequently live in rural areas and lack access to social protection.⁸⁵ One of the major challenges to achieving universal social protection is extending such protection to workers in rural areas,⁸⁶ at least in part because of legal, financial, administrative and institutional barriers specific to rural areas.⁸⁷ For example, globally, rural workers are twice as likely to be in informal employment (80 per cent) as urban workers (44 per cent), and informality

⁷⁶ ILO, *World Employment and Social Outlook*; ILO, “Empowering women in the rural economy”; and ILO, “An uneven and gender-unequal COVID-19 recovery: update on gender and employment trends 2021”, October 2021.

⁷⁷ UN-Women, *Beyond COVID-19: A Feminist Plan for Sustainability and Social Justice* (New York, 2021).

⁷⁸ ILO, *Implementing the ILO Indigenous and Tribal People’s Convention No. 169: Towards an Inclusive, Sustainable and Just Future* (Geneva, 2019).

⁷⁹ ILO, “Decent work for indigenous and tribal peoples in the rural economy”, 19 November 2019.

⁸⁰ UNDP and Oxford Poverty and Human Development Initiative, *Global Multidimensional Poverty Index 2021*.

⁸¹ ILO, *World Social Protection Report 2020–22: Social Protection at the Crossroads – in Pursuit of a Better Future* (Geneva, 2021).

⁸² World Bank, *The State of Social Safety Nets 2018* (Washington, D.C., 2018).

⁸³ Silvio Daidone and others, “The household and individual-level productive impacts of cash transfer programmes in sub-Saharan Africa”, *American Journal of Agricultural Economics*, vol. 101, No. 5 (October 2019).

⁸⁴ ILO and UNICEF, *The Role of Social Protection in the Elimination of Child Labour: Evidence Review and Policy Implications* (Geneva, 2022).

⁸⁵ *The Protection We Want: Social Outlook for Asia and the Pacific* (United Nations publication, 2021).

⁸⁶ ILO, *World Social Protection Report 2020–22*.

⁸⁷ ILO and FAO, *Extending Social Protection to Rural Populations: Perspectives for a Common FAO and ILO Approach* (Geneva, 2021).

in agriculture can be as high as 93.6 per cent.⁸⁸ The lower contributory capacity of rural workers undermines their access to health insurance.⁸⁹

39. As of 2020, only 46.9 per cent of the global population was covered by at least one social protection benefit (excluding health-care and sickness benefits), with major gaps across regions and between low-income and high-income countries. Globally, only 28.9 per cent of those considered vulnerable (all children and those adults not covered by a contributory social insurance scheme or receiving contributory benefits) receive any social protection, and only 7.1 per cent of vulnerable persons in sub-Saharan Africa are covered by social protection.⁹⁰

40. In response to the COVID-19 crisis, 223 countries or territories had planned or implemented a total of 3,856 social protection measures by February 2022.⁹¹ Without these temporary social protection measures, the increase in poverty would have been even larger. In Latin America and the Caribbean, social protection helped 21 million people stay out of poverty and another 20 million people stay out of extreme poverty.^{92,93} These measures were not sufficient, however, to close the significant gaps in the coverage, inclusiveness and adequacy of social protection, as they were largely short-lived,⁹⁴ and the amounts were often too low or took too long to arrive.⁹⁵ Countries that had stronger social protection systems before the COVID-19 pandemic were able to provide more wide-reaching, inclusive, adequate and comprehensive responses.^{96,97}

G. Agricultural development and rural livelihoods

41. Agrifood systems and natural resources are central to rural employment in developing countries, in particular to the employment of women.^{98,99,100} Approximately

⁸⁸ ILO, *Women and Men in the Informal Economy: A Statistical Picture*, 3rd ed. (Geneva, 2018).

⁸⁹ ILO, *World Social Protection Report 2020–22*.

⁹⁰ Ibid.

⁹¹ Ugo Gentilini and others, *Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures*, version 16 of 2 February 2022 (Washington, D.C., World Bank, 2022).

⁹² *Panorama Social de América Latina, 2020* (United Nations publication, 2020).

⁹³ The measures of poverty and extreme poverty are detailed in *Income Poverty Measurement: Updated Methodology and Results* (United Nations publication, 2019).

⁹⁴ Liliana Marcos Barba, Hilde van Regenmortel and Ellen Ehmke, *Shelter from the Storm: The Global Need for Universal Social Protection in Times of COVID-19* (London, Oxfam Great Britain, 2020).

⁹⁵ Rodolfo Beazley, Marta Marzi and Rachael Steller, “Drivers of timely and large-scale cash responses to COVID-19: what does the data say?”, Social Protection Approaches to COVID-19 Expert Advice Service Series, May 2021.

⁹⁶ Ibid.

⁹⁷ Keetie Roelen and Becky Carter, *Social Assistance in Response to COVID-19: Reaching the Furthest Behind First?*, CSP Working Paper, No. 21 (Brighton, United Kingdom of Great Britain and Northern Ireland, Institute of Development Studies, 2022).

⁹⁸ Thomas Allen, Philipp Heinrigs and Inhoi Heo, “Agriculture, food and jobs in West Africa”, West African Papers, No. 14 (Paris, OECD Publishing, 2018).

⁹⁹ World Bank, “Employment in agriculture, female (% of female employment) (modelled ILO estimate)”, World Development Indicators database. Available at <https://data.worldbank.org/indicator/SL.AGR.EMPL.FE.ZS?end=2019&start=1991&view=chart>.

¹⁰⁰ Andrés Castañeda and others, “A new profile of the global poor”, *World Development*, vol. 101 (January 2018).

60 per cent of total employment in sub-Saharan Africa is related to agrifood systems.¹⁰¹ Two thirds of those living in extreme poverty are engaged in agriculture.¹⁰²

42. Women, migrants, young people, small-scale producers and the poor face persistent inequalities in access to and ownership of productive assets – in particular land and water – and gaps in farm incomes, labour conditions and work burdens.

43. Agricultural land is concentrated in large farms: globally, the largest 1 per cent of farms (those larger than 50 hectares) operate more than 70 per cent of the world's farmland, while small-scale family farms (of 2 hectares or less), which constitute 84 per cent of the total number of farms in the world, operate only 12 per cent of the world's farmland.¹⁰³ Adjusted for quality, land is even more unequally distributed, with lower-income groups often gaining access to more marginal lands.^{104,105} In most countries, the annual incomes of large-scale food producers are on average two to three times the annual incomes of small-scale producers, and as much as seven to eight times in some countries.¹⁰⁶

44. Evidence indicates that investing in agrifood systems is more effective at reducing poverty than investing outside of agriculture, and the benefits of investment in agriculture are greatest for the poorest members of society, in particular in poorer countries and in places where illiteracy rates are high.¹⁰⁷

H. Decent work

45. Insufficient and weak legal and policy frameworks, together with informality and dysfunctional labour market institutions, contribute to inequalities, deprive rural workers of protection and equal access to opportunities, and constrain rural enterprises.¹⁰⁸ The scarcity of rural non-farm jobs and the seasonal nature of agricultural production and food processing add to the challenge of generating decent rural employment opportunities. In the Africa region, for instance, high underemployment and working poverty rates evidence the poor job growth outside subsistence agriculture and low-productivity self-employment, often in the informal sector.¹⁰⁹

46. In many developing countries, rural wage workers are the lowest paid, and they are often in vulnerable situations, as their rights may not be realized or enforced.^{110,111}

¹⁰¹ R. Ambikapathi and others, "A new method for estimating global and country level employment in agri-food systems", paper prepared for FAO, forthcoming in 2022.

¹⁰² ILO, *World Economic and Social Outlook 2016: Transforming Jobs to End Poverty* (Geneva, 2016), p. 9.

¹⁰³ Sarah K. Lowder, Marco V. Sánchez and Raffaele Bertini, "Which farms feed the world and has farmland become more concentrated?", *World Development*, vol. 142 (June 2021).

¹⁰⁴ Luis Bauluz, Yajna Govind and Filip Novokment, "Global land inequality", World Inequality Database Working Paper, No. 2020/10 (2020).

¹⁰⁵ Luca Montanarella and others, eds., *The Assessment Report on Land Degradation and Restoration* (Bonn, Germany, Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, 2018).

¹⁰⁶ FAO, *Tracking Progress on Food and Agriculture-Related SDG indicators 2021*.

¹⁰⁷ Luc Christiaensen and Will Martin, "Agriculture, structural transformation and poverty reduction: eight new insights", *World Development*, vol. 109 (September 2018).

¹⁰⁸ ILO resolution concerning inequalities and the world of work (ILC.109/resolution XVI), adopted on 11 December 2021.

¹⁰⁹ ILO, *World Employment and Social Outlook*.

¹¹⁰ Paul Winters and others, "Rural wage employment in developing countries", 18 August 2008.

¹¹¹ ILO, *Giving a Voice to Rural Workers: General Survey Concerning the Right of Association and Rural Workers' Organizations Instruments*, ILC.104/III/1B (Geneva, 2015).

47. Rural young people face specific challenges. In 2019, they had a lower labour force participation rate than rural adults (43 per cent versus 68 per cent) and a larger labour underutilization rate.¹¹² Rural young people are one third as likely to have contracted employment compared with their urban counterparts, and 40 per cent more likely to be engaged in casual wage work without a contract.¹¹³

48. While diversification of rural livelihoods is important for reducing poverty and increasing resilience, agriculture remains a significant source of employment in rural areas, and improving productivity, sustainability and working conditions in the sector remains key. Agriculture is also characterized by a high incidence of child labour; 70 per cent of all children in child labour, representing 112 million boys and girls worldwide, is in agriculture.¹¹⁴

I. Climate change

49. Approximately 3.3 to 3.6 billion people live in contexts that make them highly vulnerable to the impacts of climate change, with global hotspots in sub-Saharan Africa, Asia, Central and South America, small islands and the Arctic.¹¹⁵ Climate change has a disproportionate effect on the poorest and most vulnerable, exacerbating inequality, with differentiated impacts among women and girls, who have differentiated abilities to adapt (see [E/CN.6/2022/3](#)). Estimates suggest that climate change will push between 32 million and 132 million more people into extreme poverty over the next 10 years alone.¹¹⁶

50. Rural communities are highly dependent on sectors directly exposed to climate risks and weather-related hazards, such as agriculture, fishing and tourism. Climate change has slowed agricultural growth over the past 50 years globally. In Africa, agricultural productivity growth has decreased by 34 per cent since 1961 owing to climate change.¹¹⁷ Over 200 million people are projected to migrate within their countries by 2050 because of climate change,¹¹⁸ including indigenous peoples.¹¹⁹

51. Projections suggest that higher levels of warming will exacerbate inequalities among and within countries.¹²⁰ Climate adaptation and mitigation policies are urgently needed, but when implemented in contexts of high levels of poverty, corruption, and economic and social inequalities, they risk causing negative social outcomes.¹²¹ Addressing poverty and inequality can also facilitate adaptation.¹²²

52. Attention to distributive and procedural justice in policy design and implementation, including in the labour market, is needed to ensure that policy costs

¹¹² ILO, “Rural and urban labour markets: different challenges for promoting decent work”, Spotlight on Work Statistics, No. 11, October 2020.

¹¹³ ILO, *Global Employment Trends for Youth 2017: Paths to a Better Working Future* (Geneva, 2017).

¹¹⁴ ILO and UNICEF, *Child Labour: Global Estimates 2020, Trends and the Road Forward* (New York, 2021).

¹¹⁵ Hans-O. Pörtner and others, eds., *Climate Change 2022: Impacts, Adaptation, and Vulnerability – Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change* (Cambridge University Press, 2022).

¹¹⁶ Ibid.

¹¹⁷ Ibid.

¹¹⁸ Akihiko Nishio, “When poverty meets climate change: a critical challenge that demands cross-cutting solutions”, World Bank: Development and a Changing Climate blog, 5 November 2021.

¹¹⁹ Pörtner and others, eds., *Climate Change 2022*.

¹²⁰ Brian O’Neill and others, eds., “Key risks across sectors and regions”, in *Climate Change 2022*, Pörtner and others, eds.

¹²¹ Sanna Markkanen and Annela Anger-Kraavi, “Social impacts of climate change mitigation policies and their implications for inequality”, *Climate Policy*, vol. 19, No. 7 (2019).

¹²² Pörtner and others, eds., “Summary for policymakers”, in *Climate Change 2022*, p. 28.

and benefits are shared equitably.¹²³ Climate justice and a human rights-based approach are key principles for more inclusive and equitable climate change adaptation and mitigation.

J. Infrastructure

53. Wide infrastructure gaps contribute to inequalities and economic disadvantages in rural areas.¹²⁴

54. Significant deprivations in terms of adequate access to safe drinking water, improved sanitation and housing are prominent among rural households. More than 70 per cent of rural households included in the pilot¹²⁵ of the rural multidimensional poverty index live in homes made of inadequate materials, and more than 70 per cent of households have no access to clean cooking fuel, electricity or solar energy.¹²⁶

55. Inadequate access to infrastructure affects crop choice, small-scale producer integration into global value chains and high value chains, livelihood diversification, and overall rural and agricultural transformation, and hence the ability of the poorest to benefit from transformations in agrifood systems.

56. Digital technologies will drive future processes of rural transformation, yet they may further amplify income and wealth inequalities unless specific action is taken.¹²⁷ Globally, almost three quarters of urban households have access to the Internet at home, which is almost twice the rate for rural households.¹²⁸ In low-income and middle-income countries, women are 16 per cent less likely than men to use the mobile Internet.¹²⁹ Family farmers in rural areas and small-scale businesses struggle to benefit from digital technologies to the extent that large businesses leverage platforms and markets.

K. Financial inclusion

57. Women, poor people and people in rural areas continue to lag behind in terms of financial inclusion. Globally, 74 per cent of women have a financial account, compared with 78 per cent of men. The gap in account ownership between the wealthiest 60 per cent of the population and the poorest 40 per cent is 15 percentage points in developing countries compared with 6 percentage points in high-income countries, and people in rural areas are more disadvantaged regarding access to financial instruments compared with people in urban areas.¹³⁰

58. Mobile money accounts could help narrow the financial inclusion gap, in particular in Africa. In sub-Saharan Africa, 33 per cent of adults have a mobile money account, compared with 10 per cent of adults globally. The region is home to all 11

¹²³ William F. Lamb and others, “What are the social outcomes of climate policies? A systematic map and review of the ex-post literature”, *Environmental Research Letters*, vol. 15, No. 11 (2020).

¹²⁴ *World Social Report 2021: Reconsidering Rural Development* (United Nations publication, 2021).

¹²⁵ The rural multidimensional poverty index was piloted in Ethiopia, Malawi, the Niger and Nigeria.

¹²⁶ FAO and Oxford Poverty and Human Development Initiative, *Measuring Rural Poverty with a Multidimensional Approach*.

¹²⁷ Henri Njangang and others, “Do ICTs drive wealth inequality? Evidence from a dynamic panel analysis”, *Telecommunications Policy*, vol. 46, No. 2 (March 2022).

¹²⁸ United Nations, “Tackling inequalities in public service coverage”.

¹²⁹ Telecommunication Union, *World Telecommunication/ICT Indicators Database 2019*, 23rd ed. (Geneva, 2019).

¹³⁰ Asli Demirgüç-Kunt and others, *The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19* (Washington, D.C., World Bank, 2022).

countries in which a larger share of adults have only a mobile money account rather than a financial institution account.¹³¹

59. Financial inclusion can help reduce poverty and inequality by helping the poor smooth consumption, manage risks and invest in education and business.¹³² While some studies find that financial development, financial liberalization and banking crises can worsen inequality,¹³³ financial inclusion has been shown to reduce poverty and inequality¹³⁴ and, over time, the rural/urban income gap.¹³⁵ A study based on data from 140 countries found that new financial technologies were more inclusive and thus contributed significantly to reducing income inequality.¹³⁶ By facilitating rural entrepreneurship, financial technologies have been shown to reduce rural/urban income gaps.¹³⁷

L. Rural institutions

60. In many developing countries, there are significant gaps in the coverage of public services, in particular in remote and rural areas. These gaps tend to be filled by diverse actors and service providers.^{138,139} Rural institutions such as producer organizations and cooperatives are critical for strengthening economic, social and political opportunities for men and women and hence for reducing poverty.¹⁴⁰

61. In increasingly decentralized governance systems, government institutions in rural areas often lack the necessary skills, financing and technical capacities to design and implement programmes and deliver services. Decentralization without the provision of the requisite enabling factors may exacerbate inequality and the divide between the central Government and local institutions in rural areas.¹⁴¹

IV. Eradicating rural poverty within the context of the decade of action to deliver the Sustainable Development Goals

62. The fight against poverty in all its forms requires urgent and ambitious actions geared towards rural areas, where the majority of the world's poor live. Growing income and wealth inequalities are a threat not only to the eradication of rural poverty

¹³¹ Ibid.

¹³² Ibid.

¹³³ Jakob de Haan and Jan-Egbert Sturm, "Finance and income inequality: a review and new evidence", *European Journal of Political Economy*, vol. 50, issue C (2017).

¹³⁴ Md Abdullah Omar and Kazuo Inaba, "Does financial inclusion reduce poverty and income inequality in developing countries? A panel data analysis", *Journal of Economic Structures*, vol. 9, No. 1 (December 2020).

¹³⁵ Youxing Huang and Yan Zhang, "Financial inclusion and urban–rural income inequality: long-run and short-run relationships", *Emerging Markets Finance and Trade*, vol. 56, No. 2 (2020).

¹³⁶ Ayse Demir and others, "Fintech, financial inclusion and income inequality: a quantile regression approach", *The European Journal of Finance*, vol. 28, No. 1 (2022).

¹³⁷ Xun Zhang, Jia Jia Zhang and Zongyue He, "Is FinTech inclusive? Evidence from China's household survey data", paper presented at the 35th general conference of the International Association for Research in Income and Wealth, Copenhagen, August 2018.

¹³⁸ FAO, "Pluralistic service systems: market-oriented services for reducing rural poverty – conceptual framework", 2017.

¹³⁹ Verena Bitzer and others, *Towards Inclusive Pluralistic Service Systems: Insights for Innovative Thinking* (Rome, FAO, 2017).

¹⁴⁰ Frederick O. Wanyama, Patrick Develtere and Ignace Pollet, "Encountering the evidence: cooperatives and poverty reduction in Africa", Working Papers on Social and Cooperative Entrepreneurship, No. 08–02 (2008).

¹⁴¹ UNESCO, *Global Education Monitoring Report 2020: Inclusion and Education: All Means All* (Paris, 2020).

but also to the entire 2030 Agenda, through their negative effect on economic growth, food security and nutrition, gender equality, decent employment and environmental ambitions.

63. The recovery from recessions and economic shocks, such as those caused by the pandemic and the ongoing war in Ukraine, can be inequality-reducing if measures are designed to address the specific situation of vulnerable populations.¹⁴² The concrete recommendations made within the framework of the Global Accelerator for Jobs and Social Protection for Just Transitions launched by the Secretary-General point the way towards an inclusive, sustainable and resilient recovery.

64. Governments need to integrate the pledge to leave no one behind into Sustainable Development Goal strategies, plans and budgets. This includes generating people-centred data and monitoring systems, designing rights-based and evidence-based policies and laws, driving good governance and institutions that are inclusive, transparent, responsive and accountable, and implementing social protection to achieve equal access to resources and services and greater resilience to shocks.¹⁴³

65. Experience with prior crises has shown that austerity measures, which frequently follow expansionary fiscal and social protection responses, can have wide-ranging negative social impacts.¹⁴⁴ Protecting investments in social sectors, not least in rural settings, is a key priority for all countries.

66. A human rights-based approach is needed to protect people who are in vulnerable situations because of basic rights violations and discriminatory policies, legal frameworks and social norms (see [A/76/237](#)).

67. The advancement of equitable livelihoods, decent work and empowered communities was identified as an action area in the United Nations Food Systems Summit process and will be considered by the Food Systems Coordination Hub, which is tasked with bringing together food systems knowledge and expertise from diverse constituencies to support national progress on the Sustainable Development Goals in response to country priorities.¹⁴⁵ The hidden costs of current global food systems and land-based agricultural systems to the environment and public health are estimated to be high, including negative impacts on rural welfare.¹⁴⁶

68. One in three rural people in developing countries lives on degraded agricultural land.¹⁴⁷ Targeted investments in the restoration of productive landscapes and seascapes can increase output and improve income generation and resilience among the rural poor, with high returns in climate and environmental benefits.¹⁴⁸ For example, the restoration of 4 million hectares of degraded land in the Sahara and the Sahel generated approximately \$90 million in revenues for rural people between 2007 and 2020 and created more than 335,000 jobs.¹⁴⁹ The United Nations Decade on

¹⁴² Nora Lustig, ed., *Commitment to Equity Handbook: Estimating the Impact of Fiscal Policy on Inequality and Poverty* (Washington, D.C., Brookings Institution Press, 2018).

¹⁴³ Ibid.

¹⁴⁴ Nyasha Tirivayi and others, “A rapid review of economic policy and social protection responses to health and economic crises and their effects on children: lessons for the COVID-19 pandemic response”, Office of Research – Innocenti Working Paper, No. 2020-02 (Florence, Italy, UNICEF, 2020).

¹⁴⁵ Further information on the United Nations Food Systems Summit is available at www.un.org/en/food-systems-summit.

¹⁴⁶ FAO, UNDP and UNEP, *A Multi-Billion-Dollar Opportunity: Repurposing Agricultural Support to Transform Food Systems – In Brief* (Rome, 2021).

¹⁴⁷ Edward B. Barbier and Jacob P. Hochard, “Land degradation and poverty”, *Nature Sustainability*, vol. 1, No. 11 (November 2018).

¹⁴⁸ FAO, *The State of the World's Forests 2022: Forest Pathways for Green Recovery and Building Inclusive, Resilient and Sustainable Economies* (Rome, 2022).

¹⁴⁹ Climatekos, *The Great Green Wall Implementation Status and Way Ahead to 2030* (2020).

Ecosystem Restoration 2021–2030 offers a platform for accelerating action on restoration, delivering on existing commitments to restore 1 billion hectares of degraded land in the next decade, while making similar commitments for marine and coastal areas.¹⁵⁰

69. Diversification of income opportunities through inclusive and sustainable agrifood development and broader industrial development is a vehicle for rural poverty reduction. Manufacturing jobs have been shown to provide opportunities for skill upgrading and higher employment security and benefits, in particular for women and young people, and hence play an important role in achieving the Sustainable Development Goal targets on the reduction of inequalities.¹⁵¹

70. Interventions and investments in free and quality education,¹⁵² especially those focusing on children,¹⁵³ are critical for reducing inequalities in multiple dimensions and will be discussed at the Transforming Education Summit. Globally, less than 3 per cent of government stimulus packages have been allocated to education; in low-income and lower-middle-income countries, the share is less than 1 per cent. Less than half of countries are implementing learning recovery programmes.¹⁵⁴

71. Investments in scaling digital technologies and related infrastructure in rural areas could help to mitigate health-care personnel shortages.¹⁵⁵ Boosting the local production of and equitable access to medicines and other health-care technologies contributes directly to people's health while reducing dependency on international supply chains and donations.

72. Improved rural infrastructure that connects vulnerable households in low-income countries to markets, including digitalization, can contribute to poverty reduction and inequality reduction.^{156,157,158} The deployment of agro-industrial parks can foster inclusive rural transformation, as such parks have the potential to generate employment in rural areas for young people, in particular young women, and link agro-industry with family farmers.¹⁵⁹

73. Clean energy systems, such as renewable energy-based mini-grids, can supply electricity less expensively than carbon-intensive technologies and could create 40 million jobs by 2050 in both rural and urban areas.¹⁶⁰

74. Making rural areas more attractive to young people and ensuring decent rural employment opportunities will be essential to eradicating poverty and reducing inequality. In this regard, circular economy business models and renewable energy

¹⁵⁰ See www.decadeonrestoration.org.

¹⁵¹ United Nations Industrial Development Organization (UNIDO), "Industrial Development Board's input to the High-Level Political Forum 2019", 2019.

¹⁵² Daniele Checchi and Herman G. van de Werfhorst, "Educational policies and income inequality", discussion paper prepared for IZA Institute of Labor Economics, Bonn, Germany, May 2014.

¹⁵³ UNICEF, "Financing an inclusive recovery for children: a call to action", July 2021.

¹⁵⁴ UNESCO, "Less than half of countries are implementing learning recovery strategies at scale to help children catch up", 30 March 2022.

¹⁵⁵ Mojtaba Nouhi and others, "Telemedicine and its potential impacts on reducing inequalities in access to health manpower", *Telemedicine and e-Health*, vol. 18, No. 8 (October 2012).

¹⁵⁶ Linda C. Charlery, Matin Qaim and Carsten Smith-Hall, "Impact of infrastructure on rural household income and inequality in Nepal", *Journal of Development Effectiveness*, vol. 8, No. 2 (2016).

¹⁵⁷ Santanu Chatterjee and Stephen J. Turnovsky, "Infrastructure and inequality", *European Economic Review*, vol. 56, No. 8 (November 2012).

¹⁵⁸ World Bank, *Global Development Prospects* (Washington, D.C., 2022); see also box 4.2. in the report.

¹⁵⁹ UNIDO, *Annual Report 2021* (Vienna, 2022).

¹⁶⁰ UNIDO, *Annual Report 2020* (Vienna, 2021).

generation tend to be labour-intensive, with the potential to generate jobs.¹⁶¹ In Madagascar, the national action plan for decent work in rural areas provides an integrated approach to the revitalization of the rural economy by harnessing the potential for decent jobs for rural young people.

75. Investing in universal, gender-responsive social protection systems is key to eradicating rural poverty and reducing inequalities. Extending social protection coverage to rural populations requires adapting legal frameworks, financing mechanisms and administrative processes to the specific needs of those populations, such as by taking into account seasonality in contributory schemes, facilitating access to registration through one-stop shops and raising awareness.¹⁶² Strategies to extend social protection can be associated with strategies to formalize employment, thereby addressing broader decent work deficits.^{163,164}

76. Organizations of rural producers can act as intermediaries between self-employed agricultural workers and social security institutions and can enter into collective agreements with social insurance schemes. In Costa Rica, such collective insurance agreements ensure that farmers can be covered by social insurance on the same terms as workers employed in other sectors.¹⁶⁵

77. Supporting independent, effective and inclusive organizations of producers, rural workers and employers is a prerequisite for enabling the participation of rural communities in economic and social development, and for making sure that rural workers' voices are heard in the development and implementation of laws, policies and crisis responses that affect their working and living conditions.^{166,167}

78. Financial inclusion is critical for rural poverty reduction. For example, improved access to mobile money in Kenya led to a reduction of extreme poverty, with stronger impacts among vulnerable groups such as women, who were able to build savings and financial resilience and shift employment from agriculture to business.¹⁶⁸ A large-scale study from India confirmed that financial inclusion had contributed to poverty reduction.¹⁶⁹

79. Addressing rural poverty requires policy coherence, avoiding contradictions across public policies (including policies on health, education, food and nutrition, social security and employment) and legal frameworks. It requires reconciling national policy objectives with internationally agreed objectives, synergies across economic, social and environmental policies, and adequate financing. Support for agricultural producers, which currently accounts for about 15 per cent of total agricultural production value globally, tends to be biased towards measures that are distorting, unequally distributed and harmful to the environment and human health.¹⁷⁰

¹⁶¹ John A. Mathews, "Greening industrial policy", in *The Oxford Handbook of Industrial Policy*, Arkebe Oqubay and others, eds. (Oxford, United Kingdom, Oxford University Press, 2020).

¹⁶² ILO and FAO, *Extending Social Protection to Rural Populations*.

¹⁶³ In line with ILO recommendation No. 202 on social protection floors (2012) and ILO, recommendation No. 204 on transition from the informal to the formal economy (2015). See also ILO resolution concerning the second recurrent discussion on social protection (social security) (ILC.109/resolution III), adopted on 19 June 2021.

¹⁶⁴ See also ILO, *World Social Protection Report 2020–22*.

¹⁶⁵ ILO, *Extending Social Security Coverage to Workers in the Informal Economy: Lessons from International Experience*, 2nd ed. (Geneva, 2021).

¹⁶⁶ ILO, "Promoting social dialogue in the rural economy", 19 November 2019.

¹⁶⁷ ILO, "COVID-19 and the impact on agriculture and food security", 17 April 2020.

¹⁶⁸ Tavneet Suri and William Jack, "The long-run poverty and gender impacts of mobile money", *Science*, vol. 354, No. 6317 (2016).

¹⁶⁹ Sefa Awaworyi Churchill and Vijaya Bhaskar Marisetty, "Financial inclusion and poverty: a tale of forty-five thousand households", *Applied Economics*, vol. 52, No. 16 (2020).

¹⁷⁰ FAO, UNDP and UNEP, *A Multi-Billion-Dollar Opportunity*.

Multilateral and regional policy dialogues and approaches remain important. In this regard, many of the least developed countries in Africa and several Central Asian economies are not yet members of the World Trade Organization and still have limited integration into the global economy.

V. Conclusions and recommendations

80. Eradicating rural poverty demands urgent attention to inequalities, which are amplified by global economic crises, austerity policies, and climate change and related shocks. Immediate action is needed to prevent people from falling into poverty in the short term, alongside longer-term, rights-based and multisectoral economic and environmental policies addressing structural inequalities and rural poverty. Member States may wish to consider the following recommendations:

- (a) **Implement emergency responses to uphold the rights of the rural poor and of people in vulnerable situations to access to food and livelihoods. This includes expanding social protection coverage and adequacy, while supporting small-scale family farming and national food production and distribution and abstaining from restrictive trade measures and distortive, environmentally and socially harmful responses;**
- (b) **Promote inclusive, multisectoral and sustainable policy pathways that foster in rural areas opportunities for productive employment and decent work and access to social protection, quality education, health services and basic infrastructure, including information and communications technology infrastructure, while addressing the digital divide;**
- (c) **Transform agrifood systems along the rural/urban continuum to include the poorest, to enable equitable access to land, water resources, markets and financial services, and to promote value chains in line with local climate mitigation and adaptation priorities. This includes investing in secondary cities and towns¹⁷¹ and harnessing the potential of the private sector;**
- (d) **Promote inclusive and sustainable low-emission industrialization pathways with an emphasis on infrastructure that is green, circular, inclusive, resilient and of high quality;**
- (e) **Ensure that climate actions are inclusive and that they include levers for rural poverty reduction, including climate change adaptation, while enhancing access to climate finance by the rural poor;**
- (f) **Recognize and strengthen indigenous peoples' rights to communal lands, territories and natural resources, and protect their traditional food systems and livelihoods;**
- (g) **Ensure the participation and strengthen the agency of rural stakeholders, in particular small-scale producers and family farmers, the poor and landless, women, young people, migrants, and indigenous peoples, in policy design and implementation;**
- (h) **Collect and disseminate data disaggregated by rural and urban areas, sex, age and other socioeconomic categories to better inform policy design and monitor advances in the reduction of inequality and of rural poverty.**

¹⁷¹ Christiaensen and Martin, "Agriculture, structural transformation and poverty reduction".