Accelerating Global Actions for a World without Poverty: Gaps, Challenges and Progress Inter-agency Expert Group Meeting on Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027)

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Progress, gaps and challenges in eradicating hunger and ensuring food security and the impact of and recovery from the multiple crises

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Good morning,

I wish to start by thanking the United Nations Department of Economic and Social Affairs and the Economic Commission for Africa for the invitation to this important meeting.

Back in 1995, as part of the technical unit in UNDP that was responsible for poverty matters, I was directly involved in the preparations for the World Summit for Social Development and subsequently in the launch of the First UN Decade for the Eradication of Poverty.

While the world has made important progress in tackling poverty and hunger since those days, this meeting finds us at a critical juncture, off track and falling short of meeting the SDG goals by 2030.

I will focus my intervention on the progress, gaps and challenges in eradicating hunger and ensuring food security in the face of the multiple crises that are hitting the world with increasing frequency and severity. As I do, I will also refer to some of the root causes and drivers of hunger and food insecurity, such as poverty, informality, price shocks, conflict and climate change.

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- 1. Between 1990 and 2014, the world experienced impressive progress in reducing extreme poverty (from 37.8 percent in 1990 to 11.2 percent in 2014). By 2015, the pace of global poverty reduction had slowed, before receiving a massive setback in 2020.
- 2. According to the latest estimates, 648 million people live in extreme poverty around the world—about 8 percent of the global population. Poverty continues to be overwhelmingly rural, and is primarily concentrated in the agricultural sector.
- 3. Over 80 percent of the world's extreme poor live in rural areas, where about 45 percent of residents are either severe or moderately poor, compared with 16 percent of urban residents. In absolute numbers, this represents more than 1.3 billion people who, despite the role they play in global food production, cannot afford the cost of food and other basic necessities.
- 4. Rural areas also host a disproportionate share of people living in multidimensional poverty. Comparable data from 111 countries reveal that 1.2 billion people were multidimensionally poor before the onset of COVID-19, of whom nearly 83 percent resided in areas classified as rural. In every country for which data are available, both the incidence and the intensity of multidimensional poverty are higher in rural than in urban areas.
- 5. Let me add here that about 70 percent of the world's rural population live in low-income or lower-middle-income countries, where they comprise approximately two-thirds of the total population. Rural areas also contain most of the planet's biodiversity, which is currently being depleted and degraded.

- 6. The increasing concentration of poverty in rural areas predated the outbreak of COVID-19. By curtailing farm and non-farm activities, reducing access to local markets and affecting incomes and food security, the pandemic worsened the already vulnerable position of the rural poor, many of whom depend on mobility, seasonal and migrant work, and remittances. Since then, a combination of multiple crises has continued to drag down progress in poverty reduction, especially in low-income countries where agricultural employment represents more than half the labour force.
- 7. Specifically, price volatility in key commodity markets, and the slow and uneven recovery following the COVID-19 crisis, are impacting economic growth and dimming the prospects for turning the tide on rising poverty, hunger and inequality. In March 2022, the FAO Food Price Index reached record levels and still remains at historically high levels. The price of fuel and fertilizers has also shot up, pushing up the production and distribution costs of agricultural products and triggering strong inflationary pressures across the world.
- 8. The threat of a cost-of-living crisis is exacerbated by persistent violence and fragility in many parts of the world, and the greater intensity, frequency and duration of adverse weather events that are further disrupting farming and livelihoods, thereby increasing poverty and hunger in regions with large numbers of subsistence producers who lack the resources to absorb and cope with multiple concurrent shocks. Widening inequalities further jeopardize progress towards the 2030 Sustainable Development Agenda.
- 9. The large majority of the rural poor are family farmers, subsistence-oriented producers and agricultural workers, including fisherfolk, pastoralists and forest-dependent people. Nearly two-thirds are engaged in small-scale agriculture, where poverty rates are more than four times higher than among non-agricultural workers. Because their well-being is inextricably linked to the land and other natural resources upon which they depend, environmental hazards and climate stresses expose the rural poor to greater risk of livelihood shocks and render them highly vulnerable to cycles of asset depletion, indebtedness and deprivation.
- 10. A large portion of those affected by these interlocking crises are Indigenous Peoples, ethnic minorities, migrant workers, landless farmers and people living in remote rural areas who, together, represent a substantial share of those living in chronic poverty.

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Colleagues, we know that:

- 11. The world is <u>not</u> on track to achieving Sustainable Development Goal 2 on ending hunger, achieving food security and improving nutrition for all.
- 12. As you know, FAO uses the <u>prevalence of undernourishment</u> (PoU) to monitor hunger at the global and regional level. The PoU gives an estimate of the proportion of the population that lacks enough dietary energy for a healthy, active life. And we use the <u>food insecurity</u> <u>experience scale</u> (FIES) to capture household food insecurity.
- 13. Based on the PoU, globally one in ten people suffer from hunger—more than three-fourths of whom live in South Asia and sub-Saharan Africa, home to 55 percent of the world's total rural population. At current trends more than 670 million people will be chronically undernourished by 2030, far from the SDG Zero Hunger target.
- 14. Affordability constitutes a major barrier to food sufficiency and diet diversity. Because people living in extreme poverty spend two-thirds of their budget on food, soaring food prices hit

them hardest. The World Bank has estimated that every additional 1 percent increase in food prices will push nearly 10 million more people into extreme poverty, putting food further beyond their means. Already, more than 1.5 billion cannot afford the costs of a nutritionally adequate diet, and twice as many cannot afford a healthy diet.

- 15. Likewise, the number and prevalence of moderate or severe food insecurity have increased in every developing region over the past decade. The rise in food insecurity became especially pronounced following the outbreak of COVID-19 and has remained high as a result of the price shocks and the weak post-pandemic economy recovery in many parts of the world. In Africa, for instance, nearly six out of every ten people were moderately or severely food insecure in 2021—a condition that affected 2.3 billion people around the world that year.
- 16. Of great concern is the widening gender gap in food insecurity: in 2021, about 32 percent of women in the world were moderately or severely food insecure compared to 27 percent of men. This is because women were disproportionately affected by the layoffs and the reduction in hours worked and income triggered by the pandemic and the measures implemented to contain it. And this happened at a time when women's caregiving burden increased greatly.
- 17. Hunger and malnutrition are concentrated in the poorer regions and in places where conflict, extreme weather events and economic shocks affect people's access to food, nutrition services and care. For instance, children in rural settings and poorer households are more vulnerable to stunting and wasting, while adolescent girls and women in rural areas are likewise more likely to be underweight, have short height and/or be anaemic than their urban counterparts.
- 18. People in rural areas are also affected by the high prices of farming inputs. As consumers, food price inflation is making nutritious diets ever less affordable, while as producers they are not reaping the benefits of higher prices at the farm gate. Costlier farming inputs, in turn, impact agricultural production through a decline in fertilizer use, which threatens to undermine food supply at a time when food access is already at risk. Small-scale family farmers are especially vulnerable as they tend to have fewer resources to adapt to price swings in agricultural inputs.
- 19. In the Horn of Africa and in countries facing humanitarian crises, the negative impact of food price inflation has been amplified by disruptions to farming activities and humanitarian aid, droughts and flooding, and insecurity, exposing a large portion of their population to the threat of famine or starvation.

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Colleagues,

- 20. Gaps and disparities across multiple dimensions of development continue to hinder progress in reducing poverty and hunger, while reproducing spatial inequalities that endanger social cohesion.
- 21. Worldwide, more than one in four workers are engaged in agriculture, mostly as self-employed and contributing family workers. Rural populations are twice as likely to be in informal employment as those in urban areas; in the agriculture sector, 93.6 percent of workers are in informal employment.
- 22. While employment in primary agricultural production has declined for both men and women over the last two decades, a new study by FAO, launched one month ago, estimates that more than 1.2 billion people are employed in agrifood systems and 3.8 billion live in households that are linked to livelihoods in agrifood systems. Employment in agrifood systems is particularly

high in Africa and Asia. In sub-Saharan Africa, 66 percent of women's employment is in agrifood systems, which are a key source of employment for young women across many regions.

- 23. In the fisheries sector, about 113 million people globally are either employed in the small-scale fisheries value chain or engaged in harvesting or processing for subsistence. Small-scale fisheries account for almost 90 percent of global fisheries employment and is an important source of employment for women who, as in other agrifood system sectors, are significantly more likely than men to work part-time or in the more vulnerable and less profitable segments of the value chain.
- 24. Insecure land tenure and unequal land distribution affect agricultural productivity, growth and development. Worldwide, farms of less than one hectare account for 70 percent of all farms, but operate only 7 percent of all agricultural land. And in many parts of the world, the land tenure systems of Indigenous Peoples, which are often based on collective rights and regulated by customary laws and tradition, are only partially, or not recognized, by national legal systems.

To complicate matters,

- 25. The world is experiencing an increasing number of costly, record-breaking weather events linked to climate change. As global warming heightens the expected losses and damages from such extreme events, the world may be approaching 'tipping points' at which changes become self-perpetuating and accelerate in damaging ways.
- 26. If unchecked, climate change will negatively impact agricultural yields, ramp up prices and increase food insecurity in regions where small scale producers lack the resources to adjust production easily. By disrupting agriculture and livelihoods, the greater intensity, frequency and duration of adverse weather events could push up to 130 million people into poverty over the next ten years, increase by 70 million the number of people at risk of hunger globally, and cause over 200 million people to migrate within their own countries by 2050.
- 27. Rural populations living in poverty contribute the least to climate change, but are the most at risk of welfare losses due to rising global temperatures and extreme weather events. In the long term, climate change will not only lower productivity and worsen global poverty and hunger, but may also render some rural areas uninhabitable. Yet despite their key role in agrifood systems, small-scale producers receive only 1.7 percent of global climate financing, with most funding devoted to climate mitigation rather than adaptation efforts.
- 28. Environmental factors including land degradation, water shortages, and climatic shocks and stresses, are bound to exacerbate the drivers of migration, further compounding the interlocking vulnerabilities of people living in poverty in rural areas.

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To conclude, colleagues:

In light of this scenario, what is there to be done?

Let me cite here the recommendations that we have included in the Secretary-General's 2023 report on rural poverty, which FAO has been tasked with drafting further to General Assembly resolution 77/183. Member States may wish to:

1. Implement integrated, coherent measures to support small-scale food producers, with the aim of increasing their productivity, connecting them to markets, promoting their integration

into agrifood value chains on fair terms, and expanding their opportunities for productive employment and decent work on and off the farm;

- Expand social protection coverage in rural areas, embedding the extension of social protection in policy and legal frameworks that uphold people's right to food, to social security, and to an adequate standard of living;
- 3. Close the provision gaps by increasing investments in public services and basic infrastructure in rural areas, including in health care, education, clean water and basic sanitation, housing, roads, irrigation and electrification;
- 4. Leverage digital solutions to boost farmer productivity, facilitate access to digital finance and extension services, and accelerate rural economic transformation, making sure that accompanying measures are in place to increase digital literacy and expand access to digital infrastructure especially among women, older persons, Indigenous Peoples and other groups prone to exclusion;
- Promote investments in clean energy, ecosystem restoration and the adoption of inclusive climate actions that enhance access of small-scale producers to climate finance, including for adaptation efforts;
- 6. Foster rural development and agri-food system transformations that are inclusive and equitable, by among others enhancing rural women's access to and control over land, productive resources and decent work opportunities along the agri-food value chain;
- 7. Ensure the transfer of technical, financial and managerial skills and resources to local governments and development actors, strengthen the voice and participation of rural stakeholders in policy design and implementation, and create space for rural organizations, cooperatives and self-help groups to be consulted and take part in decision-making over matters affecting them;
- 8. Recognize and strengthen Indigenous Peoples' rights to communal lands, territories and natural resources, and protect their traditional food systems and livelihoods, which play a vital role in restoring ecosystems and maintaining biodiversity.

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In short:

- 29. Achieving the SDG goal of leaving no one behind calls for reaching the very poorest, which largely means reaching the rural poor.
- 30. In the current context of limited fiscal space, efforts must be made to ensure adequate financing is available to support country responses to the challenge of rural poverty and hunger, especially in countries in special situations such as African countries, the least developed and landlocked developing countries, small island developing States, and middle-income countries that are facing specific challenges.

We hope that these recommendations will be taken on at the time of preparing the report of the Inter-agency Expert Group Meeting, as an input into the 78th session of the General Assembly.

Many thanks.

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