



ERADICATING RURAL POVERTY TO IMPLEMENT THE 2030 AGENDA

Reducing poverty through employment in Africa

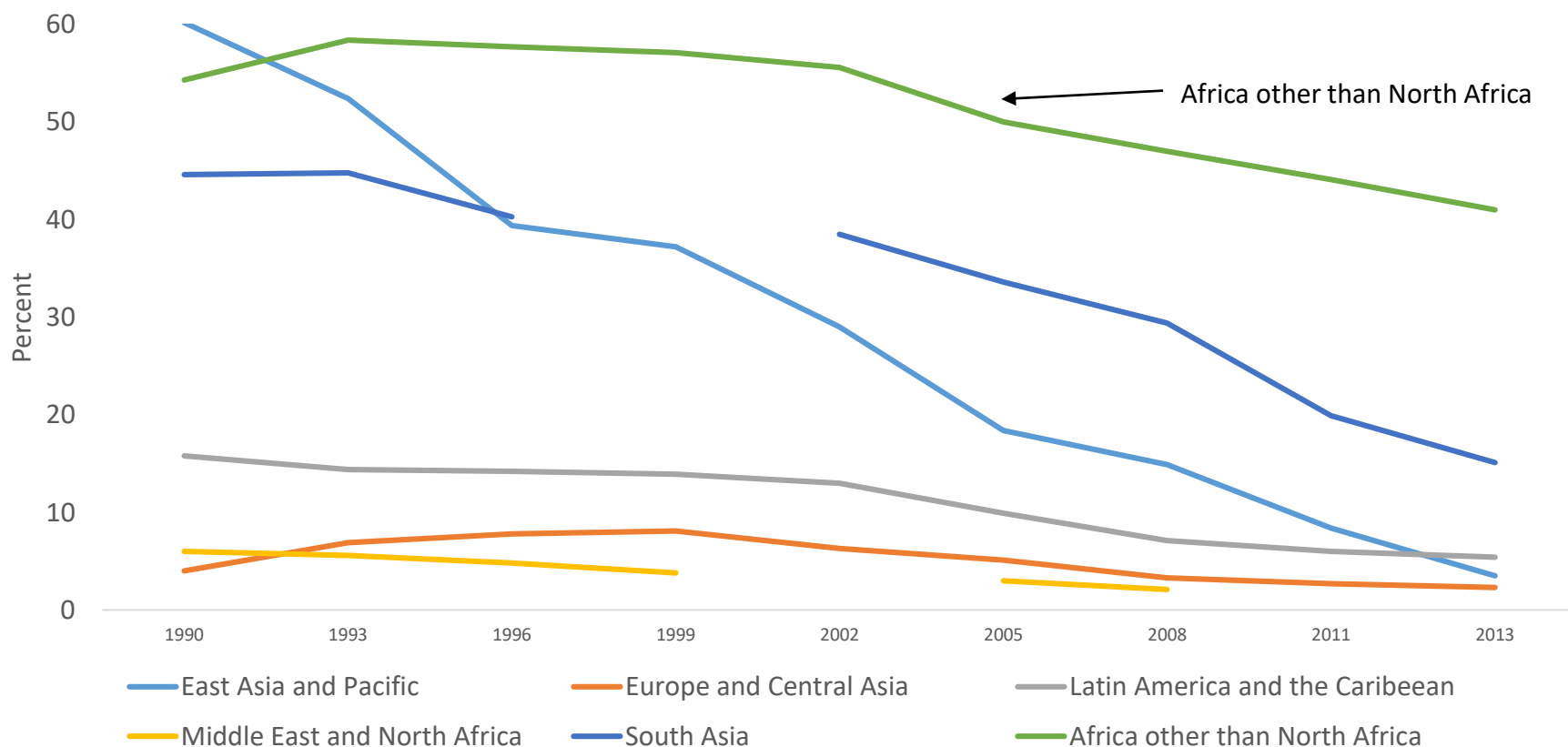


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Expert Group Meeting

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Poverty has declined in Africa since 1990, but much more slowly than in other regions - largely because of little decline in the 1990s.



Even though poverty headcount ratio has declined by more than a quarter since 2002,

the number of poor people is stagnant and more than half the world's poor people are in Africa.

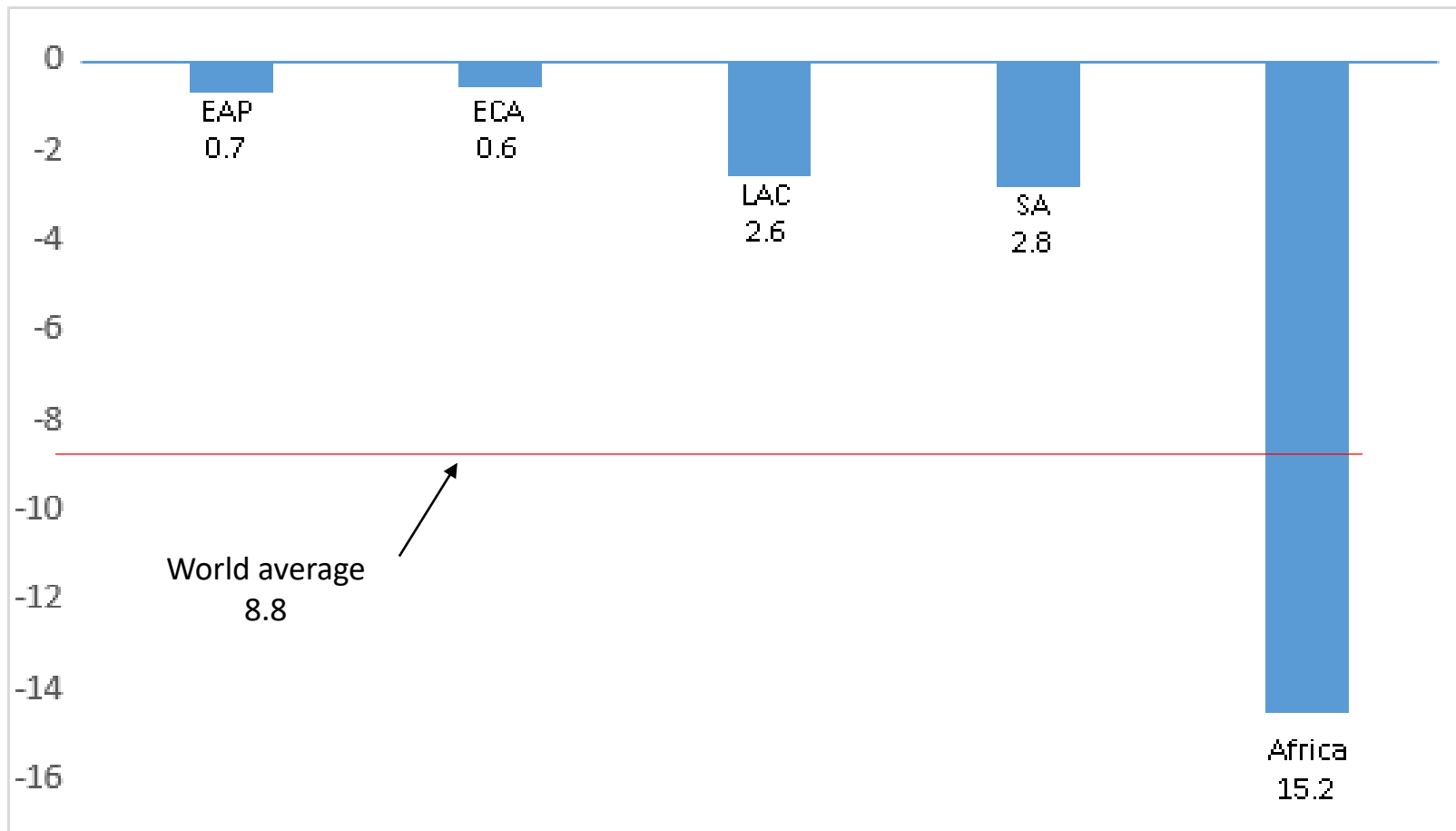
	1990	1993	1996	1999	2002	2005	2008	2011	2013
East Asia and Pacific	966	877	684	669	535	349	288	167	71
Europe and Central Asia	19	32	36	38	29	24	15	13	11
Latin America and the Caribbean	71	68	71	72	71	56	42	36	34
Middle East and North Africa	14	14	12	10	N.A.	9	7	N.A.	N.A.
South Asia	505	541	517	N.A.	552	508	465	328	256
Africa other than North Africa	276	323	346	371	391	382	389	396	389
World total	1850	1855	1666	1693	1588	1328	1206	946	767



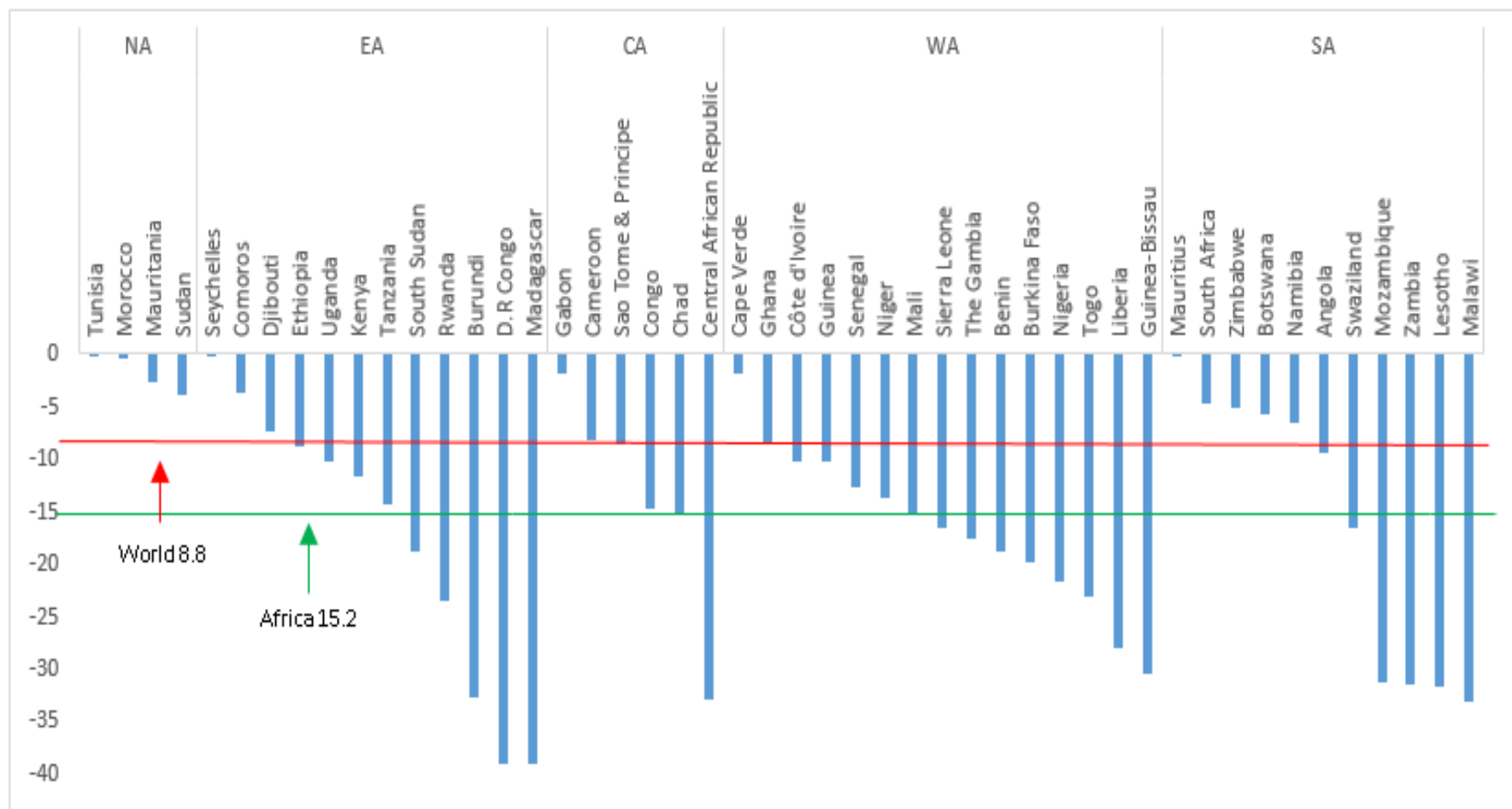
Challenges in reducing poverty in Africa

1. Depth of poverty
2. Mis-match between growth sectors and employment
3. Demographics - High fertility
4. High initial inequality

1. The poor in Africa, on average, are much further below the extreme poverty threshold



With wide variation across sub-regions





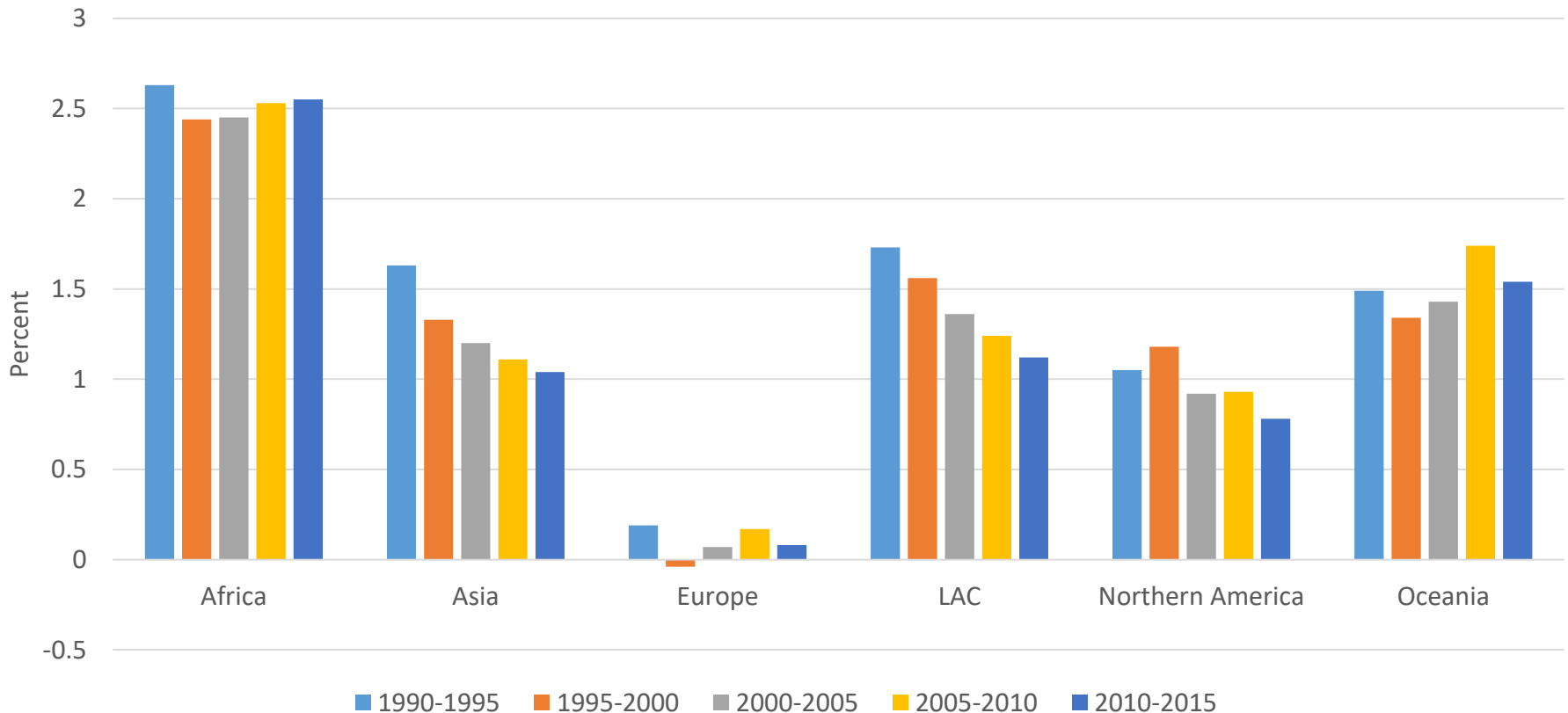
2. Mis-match between growth sectors and employment creation

Nearly 50% of Africa's labour force still works in agriculture

Sub Region	Women			Men		
	Agriculture	Industry	Services	Agriculture	Industry	Services
Central Africa	65.9	7.7	26.0	58.4	10.2	30.2
Eastern Africa	78.1	4.2	17.4	73.5	7.0	19.0
<u>Norhtern Africa</u>	40.4	12.9	46.6	24.5	28.3	47.0
Southern Africa	34.9	9.0	45.7	29.0	24.3	42.9
Western Africa	43.4	9.9	44.8	51.7	12.2	34.0
Africa	52.5	8.7	36.1	47.4	16.4	34.6

3. Africa's demographic transition is delayed with high rates of population growth

Africa has the fastest rate of population growth in the world (2.6% per year)

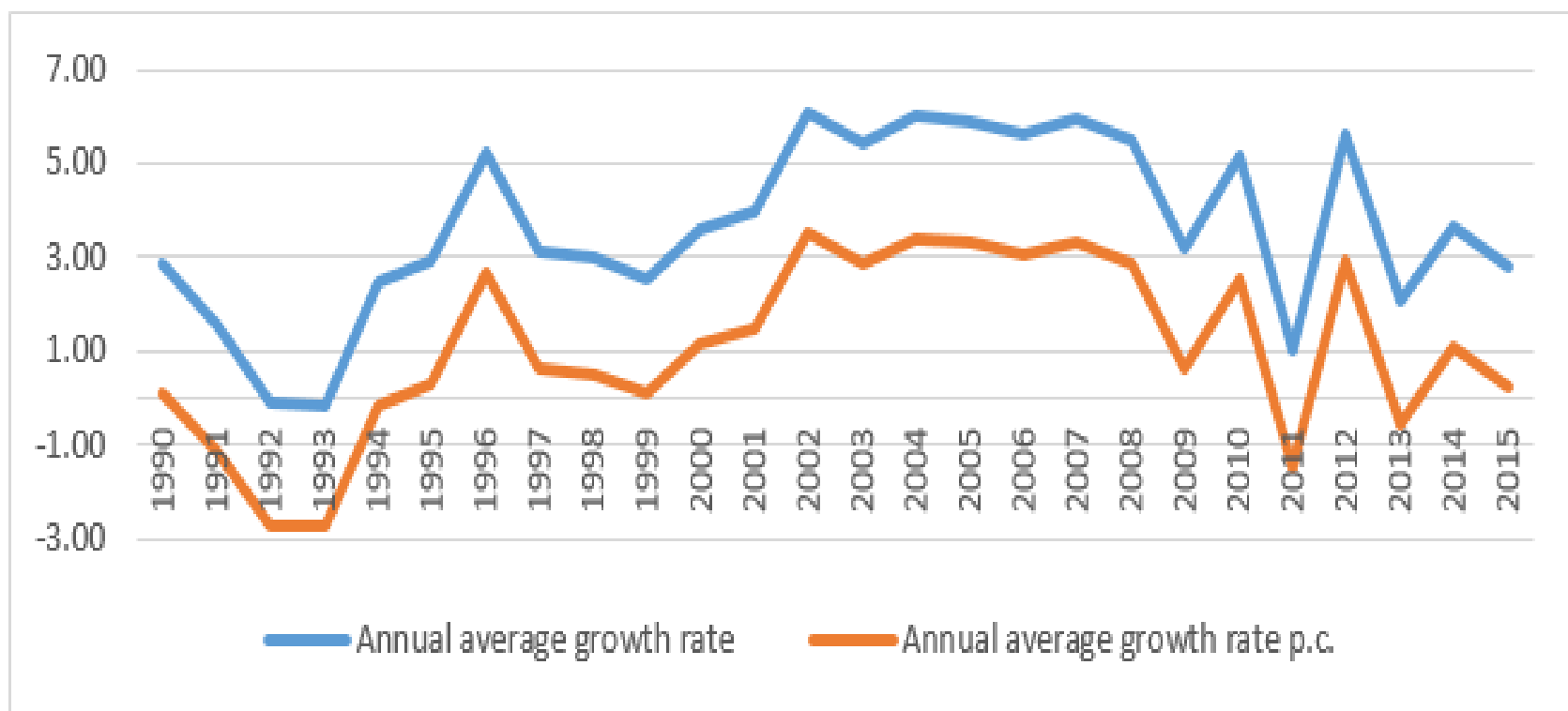


TFR is 'stalling' in 14 countries; esp. where fertility rates are high

Sub-region	Country	Population (mn.)	Under-five Mortality Rate – USMR (per 1,000 live births)			Total Fertility Rate (No. of births per woman)		
		2015	1990	2015	% decline (1990-2015)	1990	2014	Decline in TFR (1990-2014)
EA	DR Congo	77.3	187	98	47.6	7.1	6.0	1.1
	Somalia	10.8	180	137	23.9	7.4	6.5	0.9
	Tanzania	53.5	165	49	70.3	6.2	5.1	1.1
	Uganda	39.0	187	55	70.6	7.1	5.8	1.3
CA	Chad	14.0	215	139	35.3	7.3	6.2	1.1
	Congo	4.6	94	45	52.1	5.3	4.9	0.4
	Eq. Guinea	0.8	190	94	50.5	5.9	4.8	1.1
WA	Gambia	2.0	170	69	59.4	6.1	5.7	0.4
	Mali	17.6	254	115	54.7	7.2	6.2	1.0
	Niger	19.9	328	96	70.7	7.7	7.6	0.1
	Nigeria	182.2	213	109	48.8	6.5	5.7	0.8
SA	Angola	25.0	226	157	30.5	7.2	6.1	1.1
	Mozambique	28.0	240	79	67.1	6.2	5.4	0.8
	Zambia	16.2	191	64	66.5	6.5	5.4	1.1
	TOTAL	490.9						
	Average		203	93	53	6.7	5.8	0.9

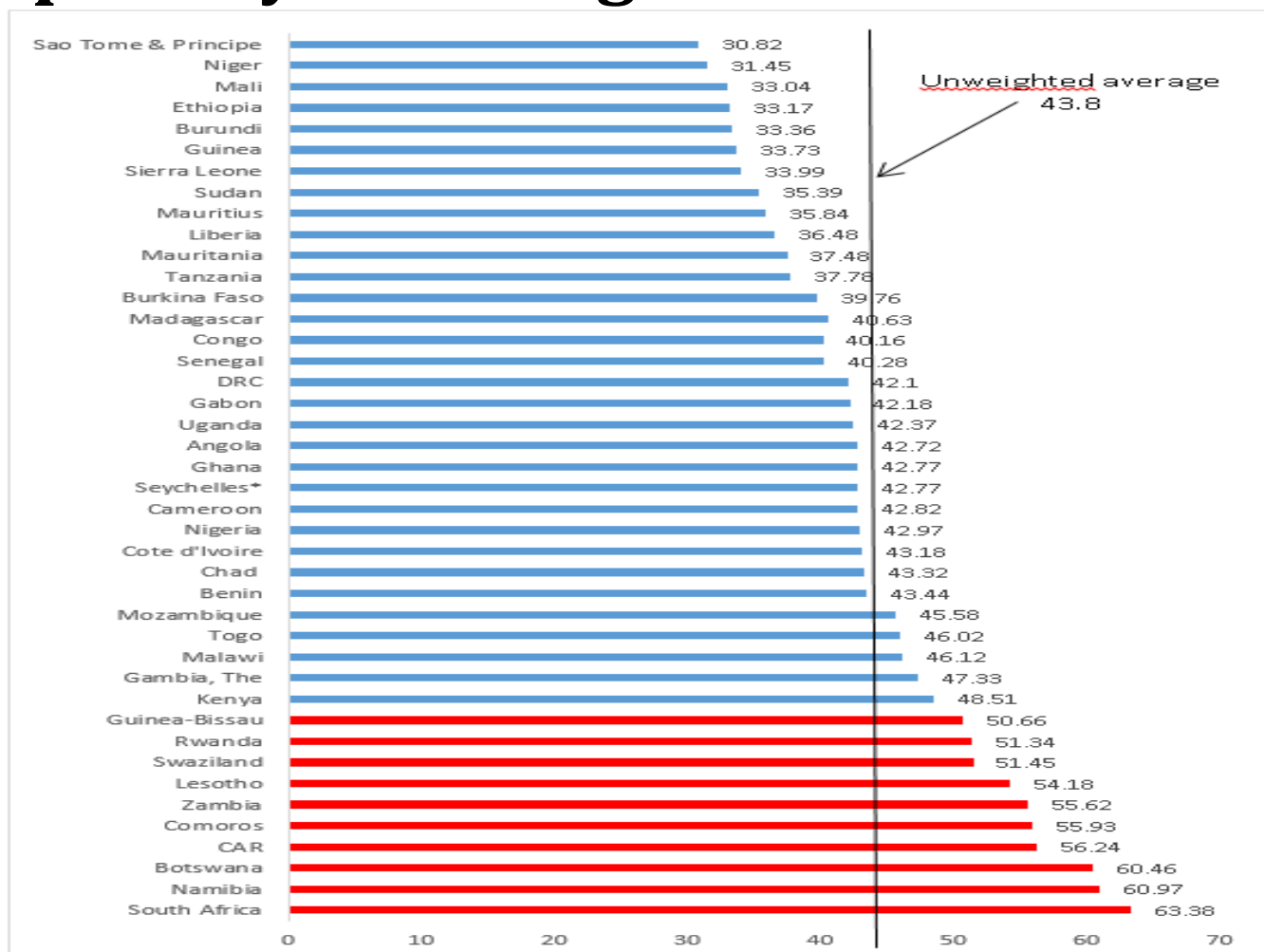
Source: Data from the World Development Indicators

So, growth rate *per capita* provides a more realistic picture of Africa's growth than just growth rate

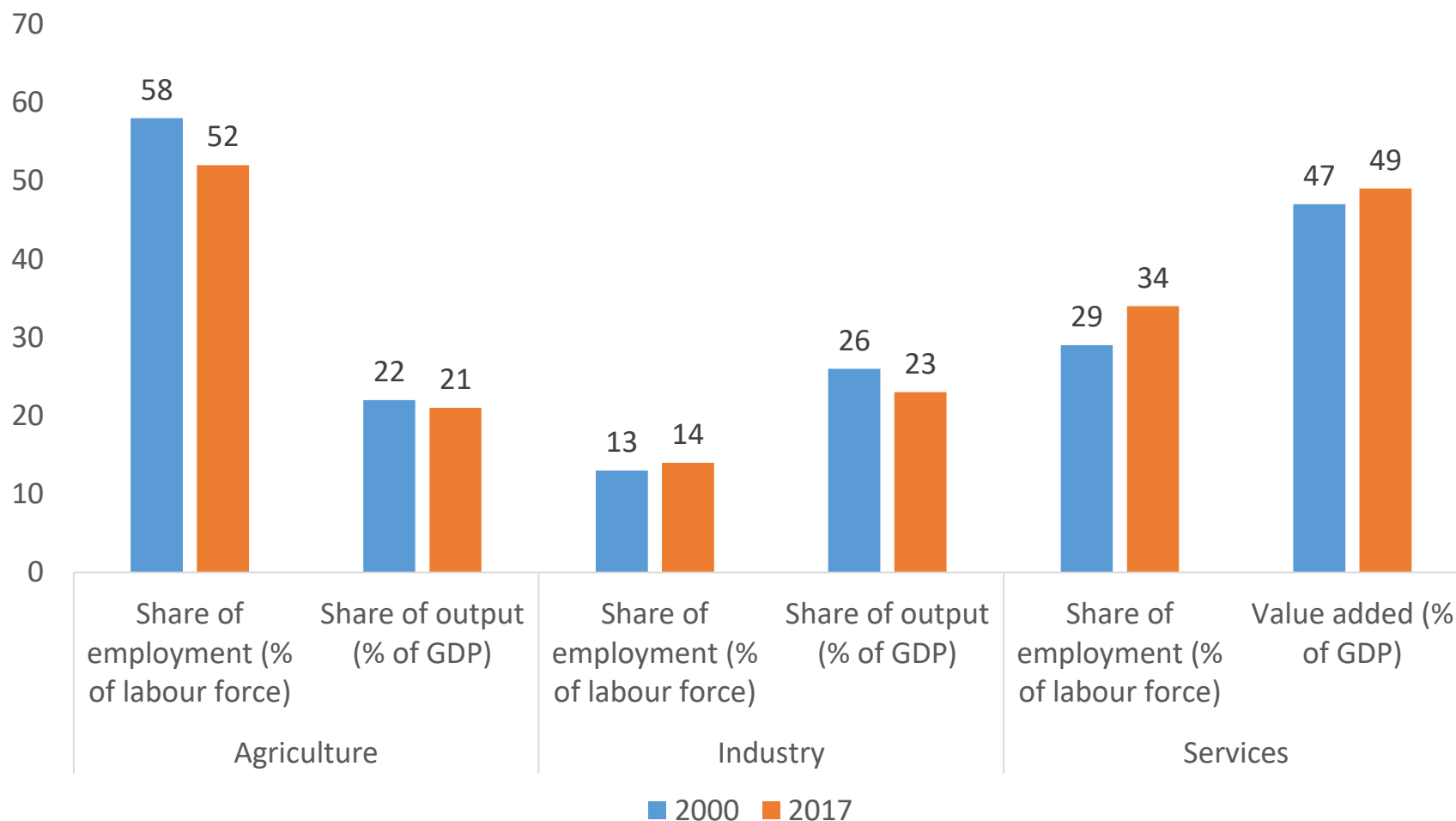


Source: Compiled using data from UNCTADSTAT

4. Average inequality in Africa is high and hampers the poverty-reducing effect of economic growth



Change in employment and output shares

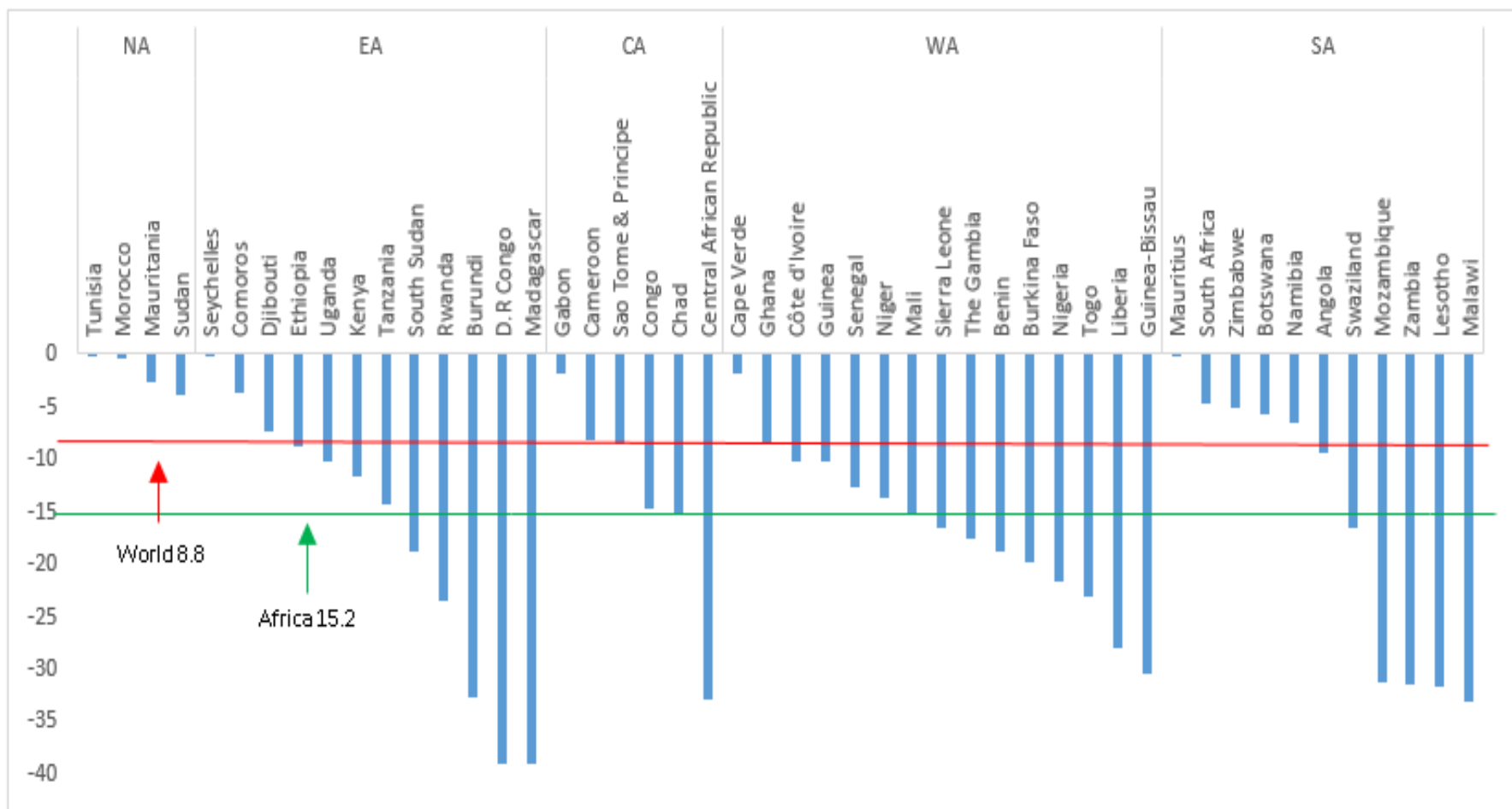




Share of employment in agriculture in Africa

- Agriculture employs nearly 52% of the labour force in 2017, declining from 58% in 2000.
- Angola, Botswana, Eritrea, Libya, Senegal, South Sudan, and Zimbabwe **increased** the proportion of employment in agriculture in 2000-2017.
- Ten countries (Cameroon, Gabon, Guinea-Bissau, Kenya, Mauritania, Rwanda, Sierra Leone, Sudan, Togo, and Tunisia) **increased** the share of GDP from agriculture in 2000-2017.
- Moving out of agriculture in Africa is not monotonic. Important to explore specific factors contributing to the role of agriculture in different countries.

With wide variation across sub-regions



Share of agriculture in countries with above average poverty gap

	Poverty Gap	Share of employment in agriculture (%)
Benin	-19.0	43
Burundi	-32.9	91
Burkina Faso	-19.9	27
Chad	-15.3	87
Central African Republic	-33.1	86
D.R Congo	-39.2	82
Eswatini	-16.6	70
The Gambia	-17.7	28
Guinea-Bissau	-30.5	84
Lesotho	-31.8	10
Liberia	-28.1	43
Madagascar	-39.2	74
Malawi	-33.3	85
Mali	-15.2	57
Mozambique	-31.4	72
Nigeria	-21.8	35
Rwanda	-23.7	66
Sierra Leone	-16.7	60
South Sudan	-18.9	64
Togo	-23.2	38
Zambia	-31.6	52
AVERAGE	-25.7	59.7



Relationship between poverty gap and agricultural employment

Countries further below the poverty line have a higher proportion of agricultural labour force

	Poverty Gap	Share of employment in agriculture (%)
Countries with above average poverty gap (21)	-29.7	59.7
Countries with poverty gap lower than average (26)	-7.2	44.7



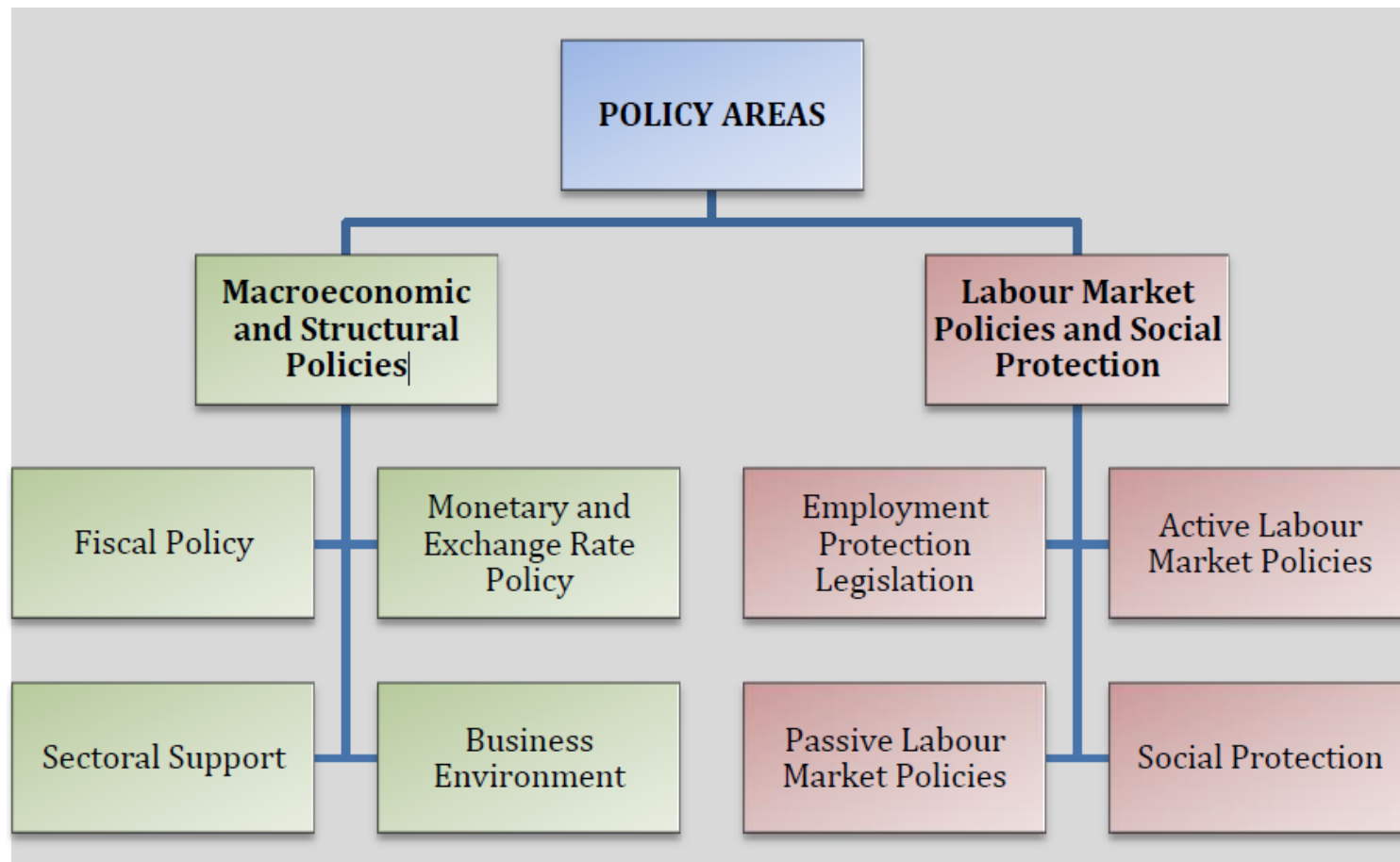
	Poverty Gap	Share of employment in agriculture (%)
Angola	-9.6	44
Botswana	-5.8	30
Cape Verde	-1.9	62
Cameroon	-8.3	59
Comoros	-3.7	50
Congo	-14.9	36
Côte d'Ivoire	-10.3	54
Djibouti	-7.5	32
Ethiopia	-9	76
Gabon	-1.9	31
Ghana	-8.4	44
Guinea	-10.3	64
Kenya	-11.7	30
Mauritania	-2.7	72
Mauritius	-0.1	8
Morocco	-0.6	31
Namibia	-6.7	22
Niger	-13.9	79
Sao Tome & Principe	-8.6	21
Senegal	-12.8	49
South Africa	-4.9	7
Sudan	-4	56
Tanzania	-14.4	64
Tunisia	-0.4	14
Uganda	-10.3	64
Zimbabwe	-5.2	64



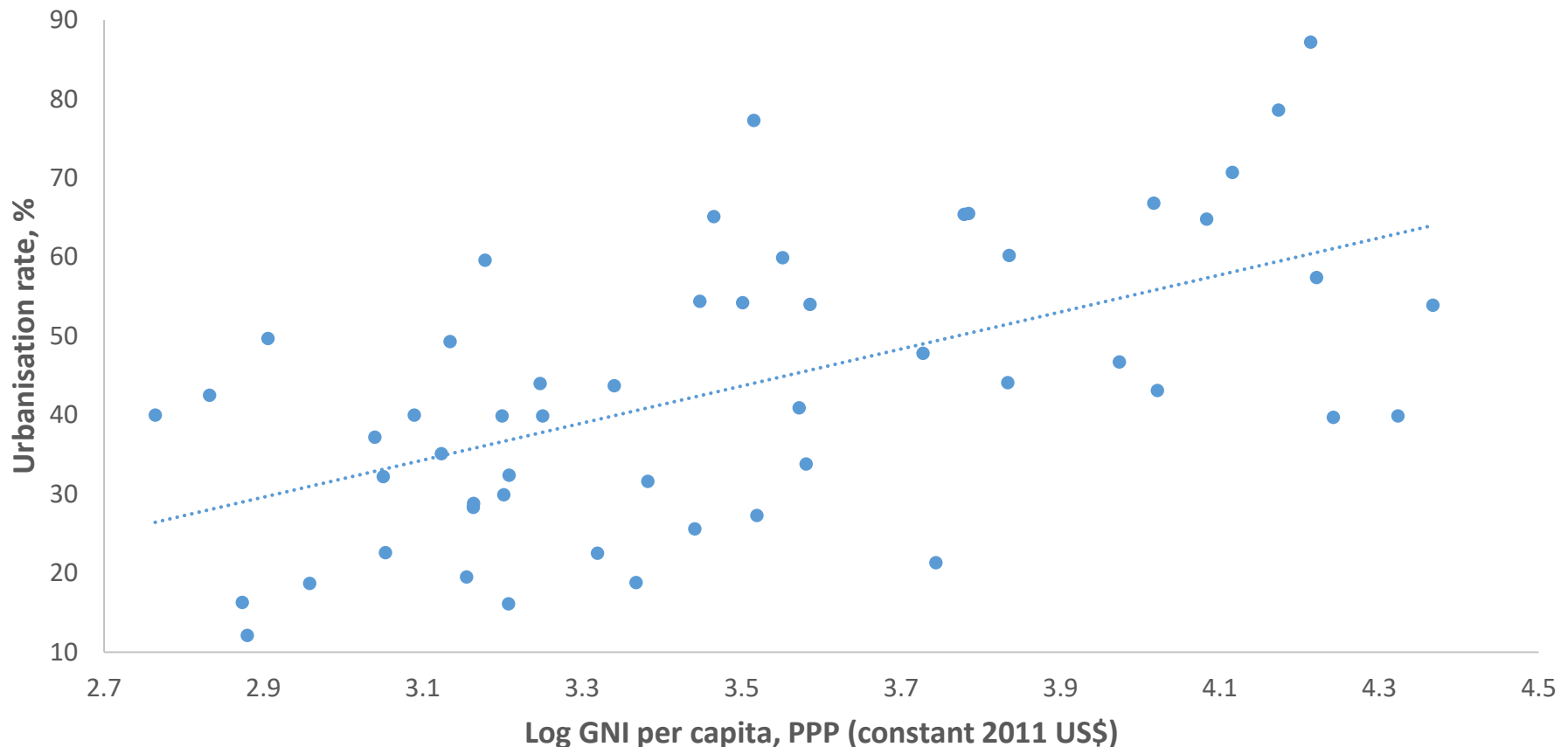
Conclusion

- Agriculture sector of strategic importance, despite the declining importance in GDP in many countries.
- This is more important since, in spite of rapid urban growth, share of agriculture in employment or GDP does not decline monotonically.
- Different strategies needed for countries at different levels of poverty.
- Important to focus on depth of poverty to leave no one behind.

Key Policy Areas Affecting Growth, Employment and Poverty



As elsewhere, strong relationship between income levels and urbanization levels in Africa



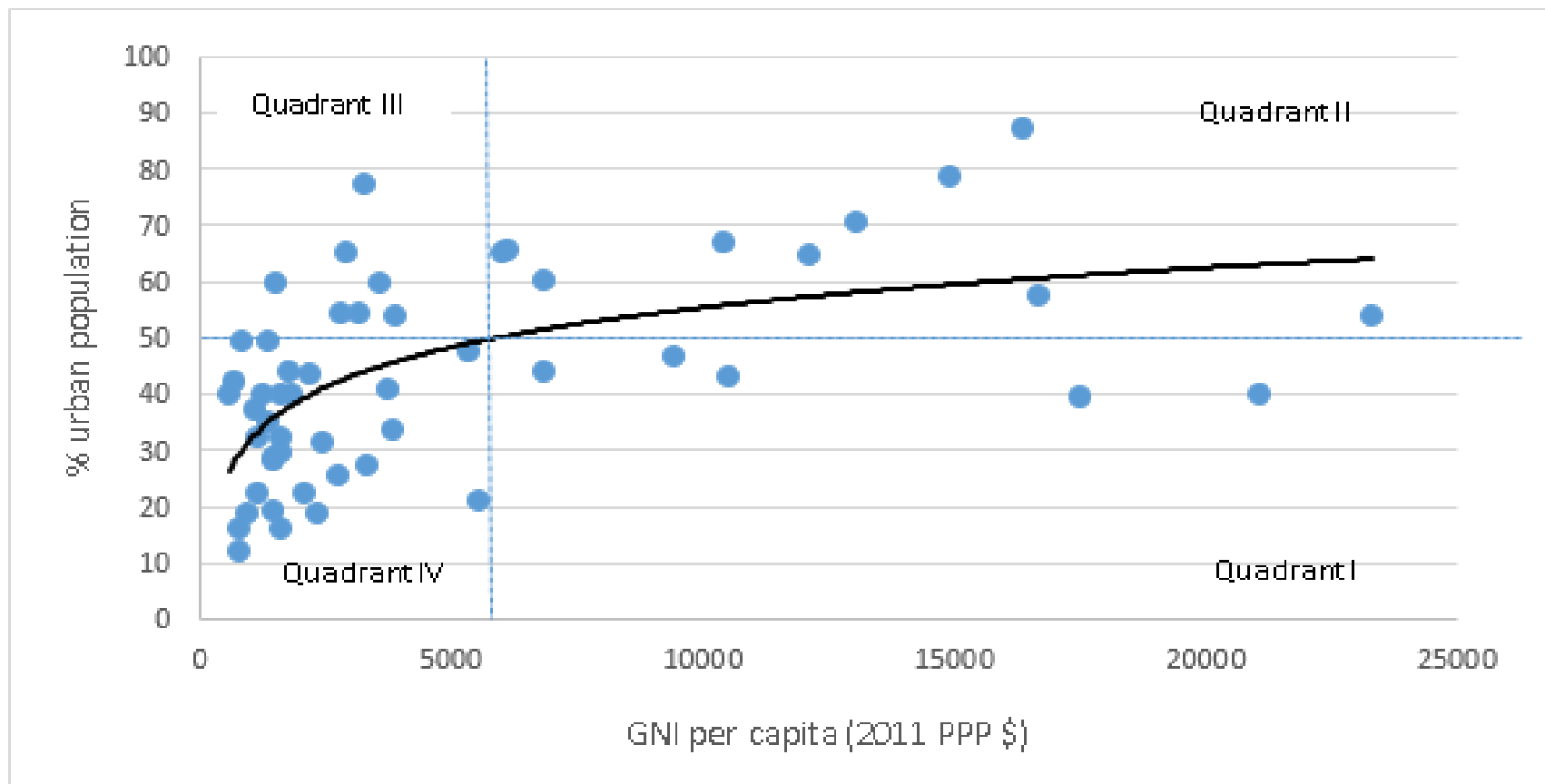
Countries exhibit widely different urbanization trends

Category (Cat.)	Extent of urbanization	Number of countries	Countries*		Average GNI per capita (2011 PPP \$)
			Resource-rich	Non-resource-rich	
I	>60%	10	Algeria, Libya (NA); Djibouti (EA); Congo, Gabon (CA); South Africa (SA)	Morocco, Tunisia (NA); <u>Cabo Verde</u> (WA); Sao Tome and Principe (CA)	9201
II	51-60%	7	Mauritania (NA); Cote d'Ivoire (WA); Ghana (WA); Cameroon (CA); Botswana (SA)	Seychelles (EA); Gambia (WA)	7834
III	41-50%	10	DR Congo (EA); Benin, Liberia, Nigeria (WA); Angola, Namibia, Zambia (SA)	Egypt (NA); Guinea-Bissau, Senegal (WA)	4263
IV	31-40%	13	Sudan (NA); Madagascar, Tanzania (EA); Guinea, Mali, Sierra Leone, Togo (WA); Central African Republic, Equatorial Guinea (CA); Mozambique, Zimbabwe (SA)	Somalia (EA); Mauritius (SA)	4590
V	<30%	14	Eritrea, Rwanda, South Sudan, (EA); Burkina Faso, Niger (WA); Chad (CA); Lesotho (SA)	Burundi, Comoros, Ethiopia, Kenya, Uganda (EA); Malawi, Swaziland (SA)	1937
		54	36	18	5031

* Resource-rich countries are those that have 20% or more of exports of either oil or minerals.

Source: Compiled using data from various sources

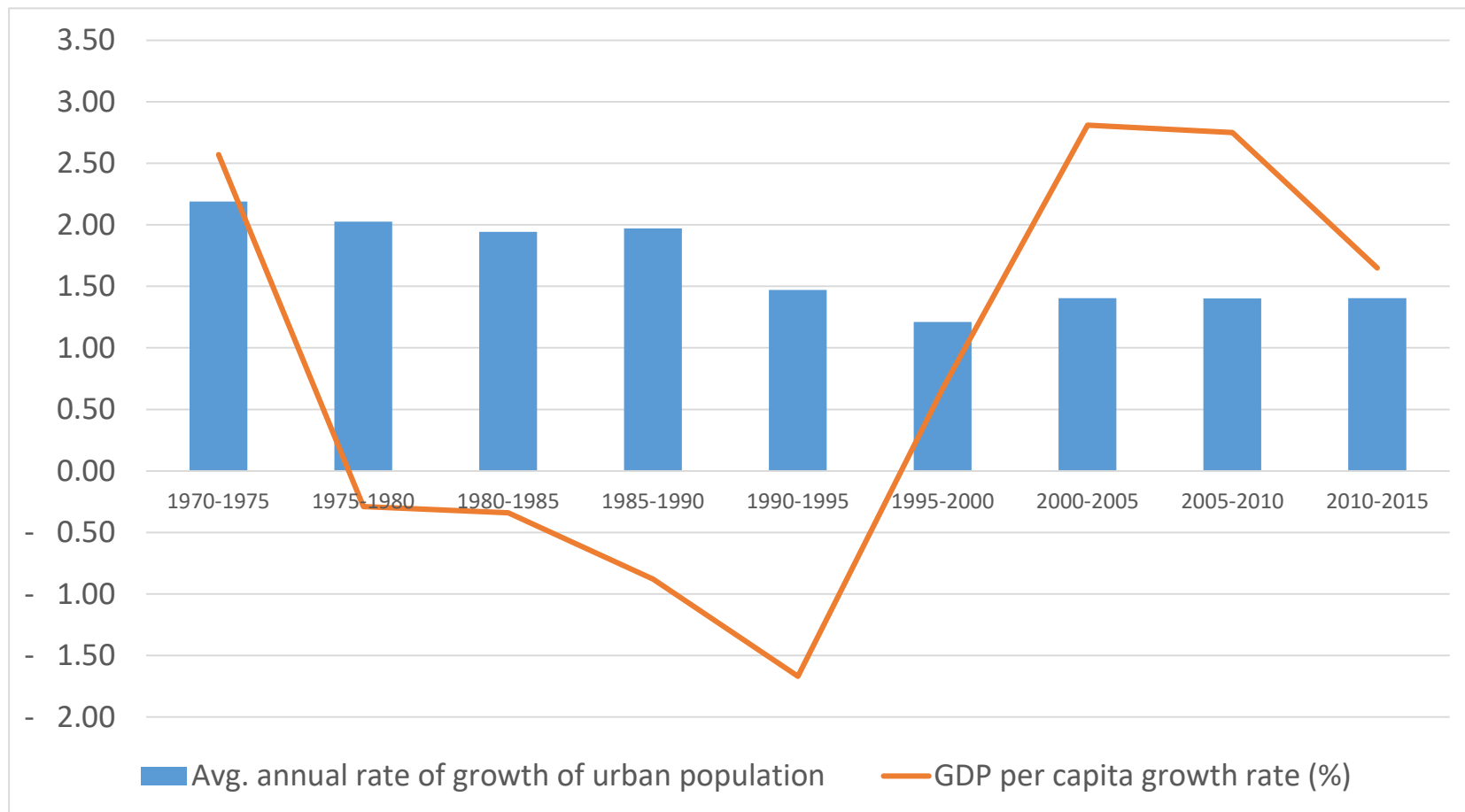
Many countries have achieved high levels of urbanization at low income levels



Source: Compiled using data from UNDP (2015)



Africa has urbanised faster than its GDP per capita has grown, 1970-2015





Thank You