



Despite gains, bulk of world's poor live in rural areas, UN report finds



6 December 2010 – Despite the fact that over 350 million rural people have escaped poverty over the past ten years, the bulk of the world's poor are still found in rural areas, says a new United Nations report, which calls for greater investment in agriculture and efforts to boost livelihoods.

The Rural Poverty Report 2011, released today by the UN International Fund for Agricultural Development (IFAD), found an overall decline of extreme poverty – people living on less than \$1.25 per day – in rural areas over the past decade, from 48 per cent to 34 per cent.

It also highlighted remarkable progress in rural areas of East Asia, primarily China, where the number of extreme poor fell by about two-thirds over the past decade.

Despite these gains, the report found that 70 per cent of the developing world's 1.4 billion extremely poor people live in rural areas, the agency stated in a news release.

Rural poverty is particularly acute in sub-Saharan Africa and South Asia. Sub-Saharan Africa is home to nearly a third of the world's extremely poor rural people, whose numbers swelled from 268 million to 306 million over the past decade.

"While Sub-Saharan Africa's rate of extreme poverty in rural areas declined from 65 to 62 per cent, it remains by far the highest of any region," said IFAD.

Likewise, rural poverty rates have dropped only slightly in the last decade in South Asia, which now has the largest number of poor rural people – about 500 million – of any region or subregion. Four-fifths of all extremely poor people in South Asia live in rural areas.

The report adds that increasingly volatile food prices, the uncertainties and effects of climate change, and a range of natural resource constraints will further complicate efforts to reduce rural poverty.

At the same time, it emphasizes that changes in agricultural markets are giving rise to new and promising opportunities for the developing world's smallholder farmers to significantly boost their productivity, which will be necessary to ensure enough food for an increasingly urbanized global population estimated to reach at least 9 billion by 2050.

"The report makes clear that it is time to look at poor smallholder farmers and rural entrepreneurs in a completely new way – not as charity cases but as people whose innovation, dynamism and hard work will bring prosperity to their communities and greater food security to the world in the decades ahead," <u>said</u> IFAD President Kanayo F. Nwanze.

"We need to focus on creating an enabling environment for rural women and men to overcome the risks and challenges they face as they work to make their farms and other businesses successful," he said.

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