



# GLOBAL FOOD POLICY REPORT

# 2019

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Moscow, Russia | May 28, 2019



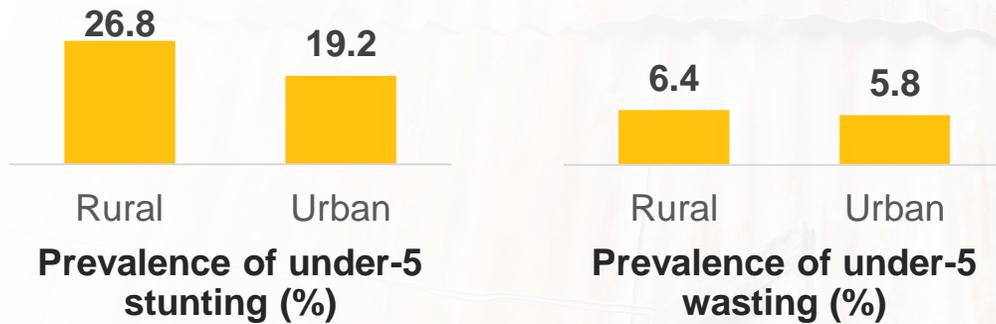
# Growing urgency

## To achieve the SDGs and climate goals

- Looming issues from 2018 persist in 2019
  - Hunger and malnutrition, climate change, and protracted crises
- Rural areas are the linchpin of agri-food system transformation for both rural and urban areas
- Fundamental transformation of agri-food systems and of rural areas is urgently needed to achieve the SDGs by 2030
- Rural revitalization is timely, achievable, and critical for SDGs and climate goals

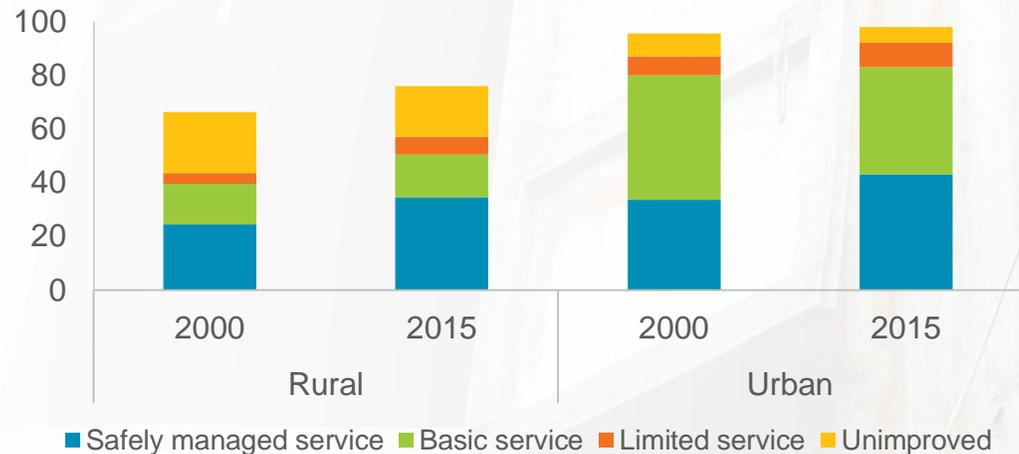
# Rural areas continue to face a crisis worldwide

## Malnutrition persists in rural areas



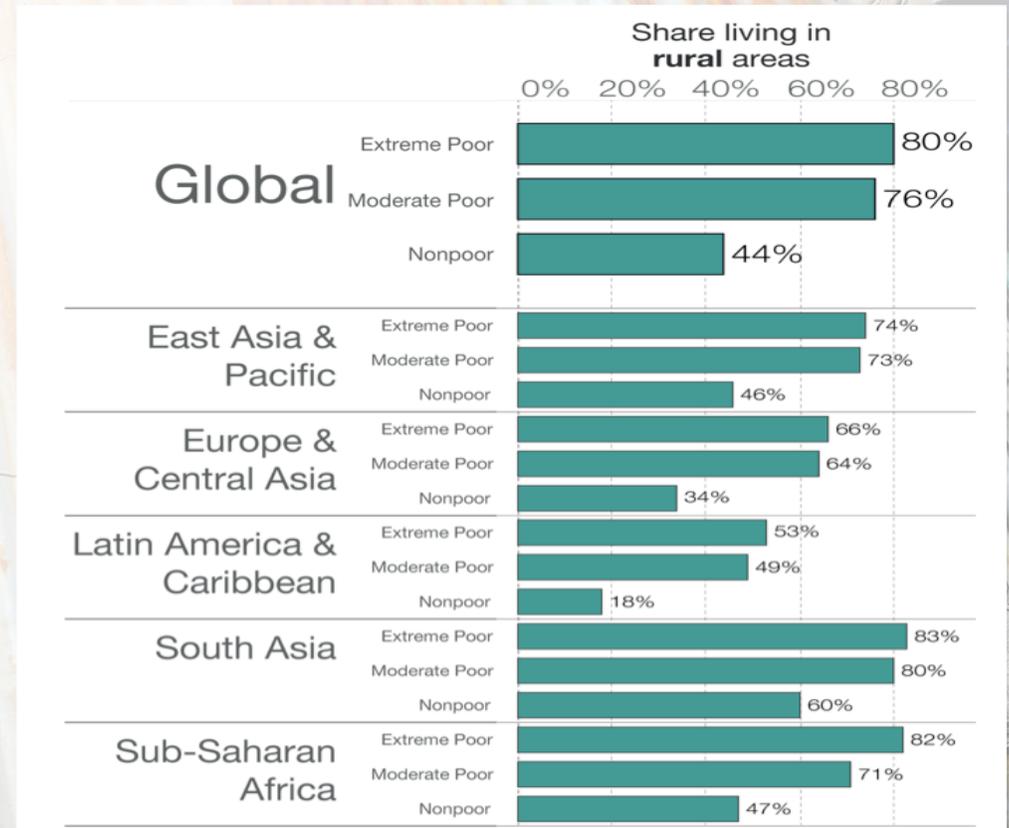
Source: GNR 2018

## Rural and urban sanitation service coverage (%)



Source: WHO and UNICEF 2018

## Poverty is disproportionately rural

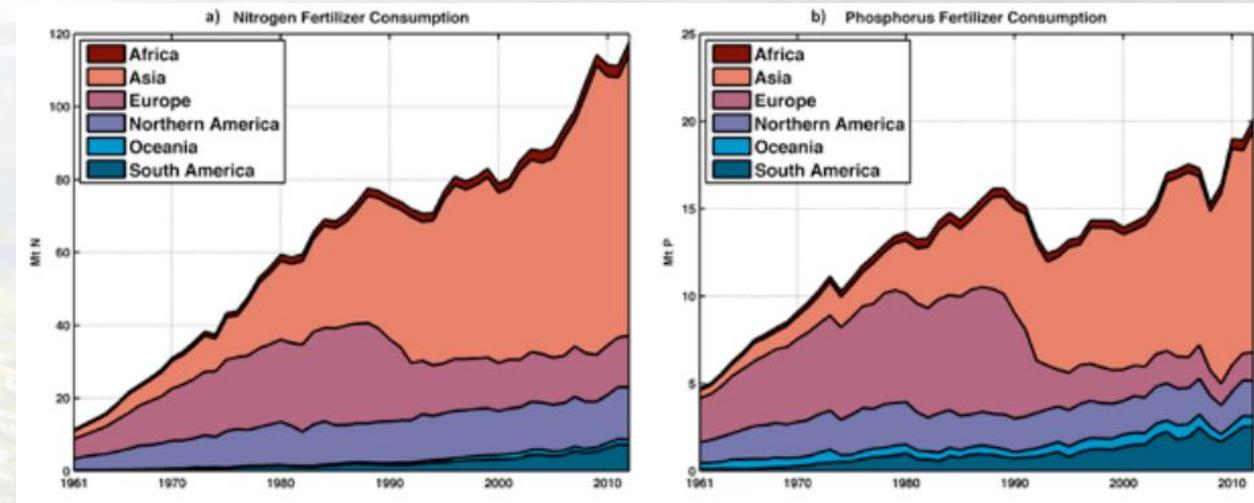


Source: Castañeda et al. 2016

# Overuse of agricultural inputs degrade land and pollute water globally

- One-third of the world's land degraded partly due to overuse of agrochemicals
  - Pollution growth and N- and P-use growth are highest in low-income countries (Xi and Ringler 2017)
- Policy distortions contribute to excessive agricultural input use
  - E.g. In rural India: fertilizer and electricity subsidies lead to unbalanced use of nutrients and reduce incentives to coordinate water use (Birner et al. 2011)
- Rural economic transformations that increase processing and industry pose risks to environment and human health

Global nitrogen (N) and phosphorus (P) fertilizer use between 1961 and 2012



Source: Song et al. 2018

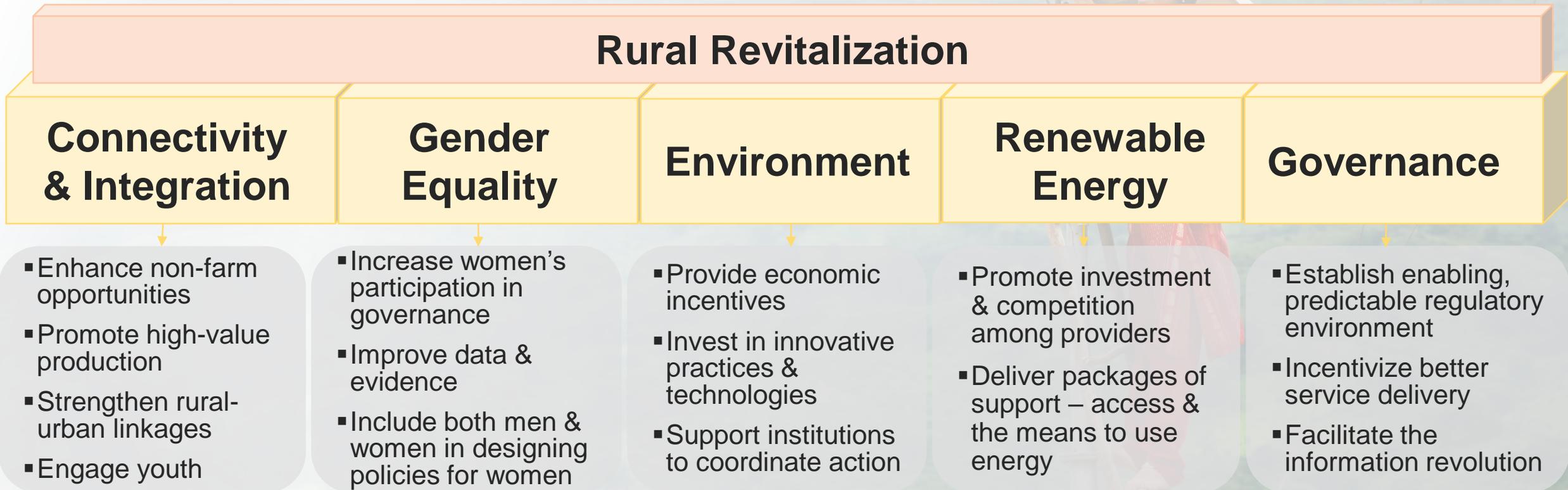
# Rural revitalization

## Successful cases provide powerful lessons

- **South Korea**: New Village Movement
  - Community-based integrated rural development
- **China**: a rurbanomics approach to modernize farm sector and rural areas
  - Taobao Villages use e-commerce to foster entrepreneurship and create flexible, inclusive employment opportunities
- **European Union**: Multisectoral, bottom-up strategies to protect and enhance the environment
  - Smart Villages harness digital connectivity for renewable energy, mobility, and e-service delivery in health, education

# Key building blocks

For productive, sustainable, and healthy rural areas

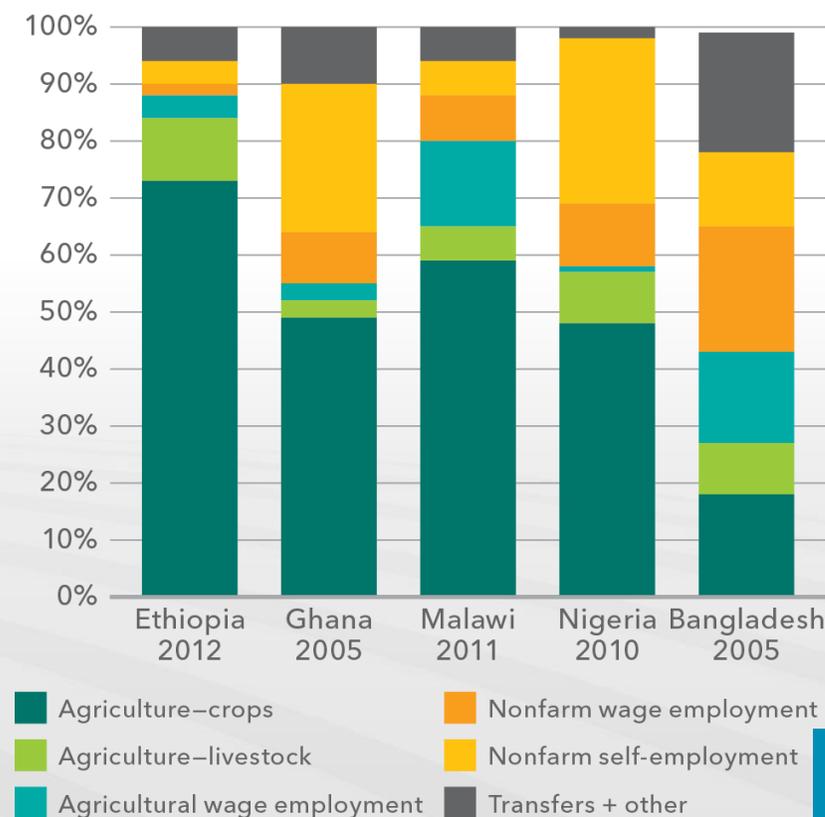


- No one-size-fits-all approach to rural revitalization

# Connecting rural and urban areas for rural revitalization

- Growing demand for food in urban areas offers promise for expansion of agro-processing and other agribusiness
- Poor regional integration and escalating trade tensions may constrain prospects in South Asia
- **Nest rural employment strategies** in broader development strategies
- **Modernize and diversify agriculture** to promote youth employment
- **Invest in basic services and human capital** to spur rural nonfarm economy

Share of income-generating activities in total rural household income, by country



Source: Diao, Dorosh, Jemal, Kennedy, and Thurlow 2019

# Women's empowerment for rural revitalization

- Achieving gender equity and women's empowerment is key for girls and women, and for achieving the SDGs
- Growth of nonagricultural jobs in many regions has led to the “feminization” of agriculture
- **Use *reach-benefit-empower* framework** to ensure interventions lead to real improvements for women and increase women's participation in **formal governance structures**
- **Improve data and evidence** relevant to gender and **involve men and boys** in designing policies and projects for women

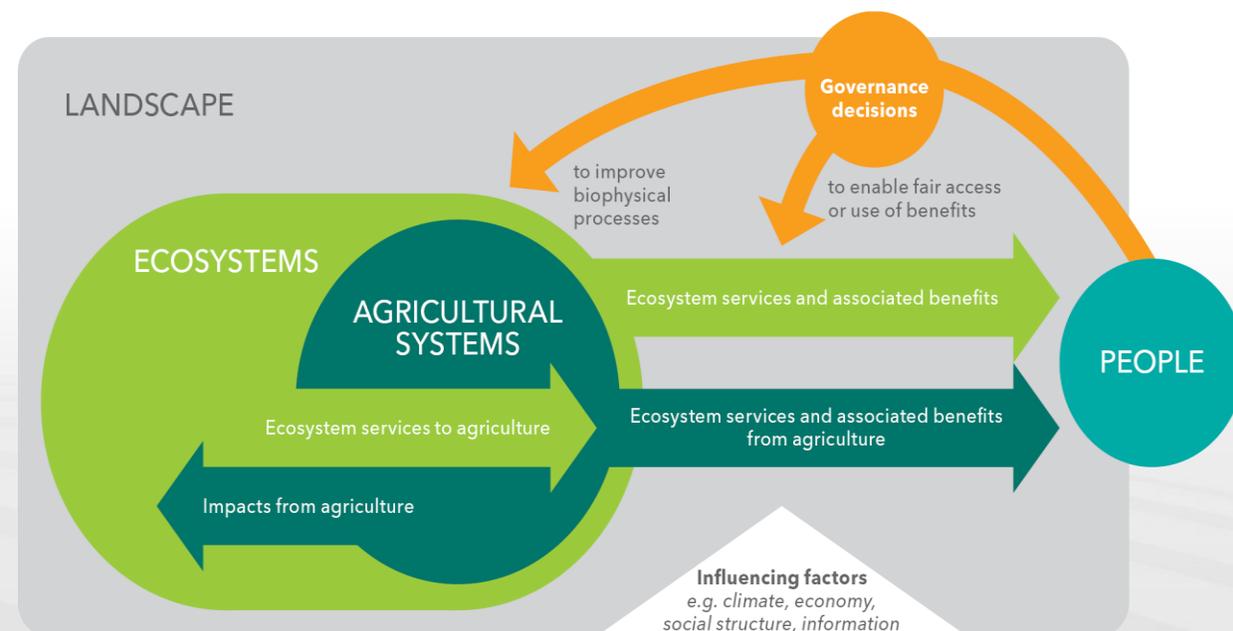
## Framework for guiding design and implementation of programs and policies



# Revitalizing, restoring, and improving rural areas

- Rural areas provide essential ecosystem services for the planet
- Rural livelihoods can contribute to—and are affected by—deforestation, groundwater depletion, land degradation, water and air pollution, and climate change
- **Invest to create healthy and thriving rural areas and provide economic incentives** to address environmental degradation
- **Invest in innovative practices and technologies** and support **context-appropriate institutions** to motivate coordinated action

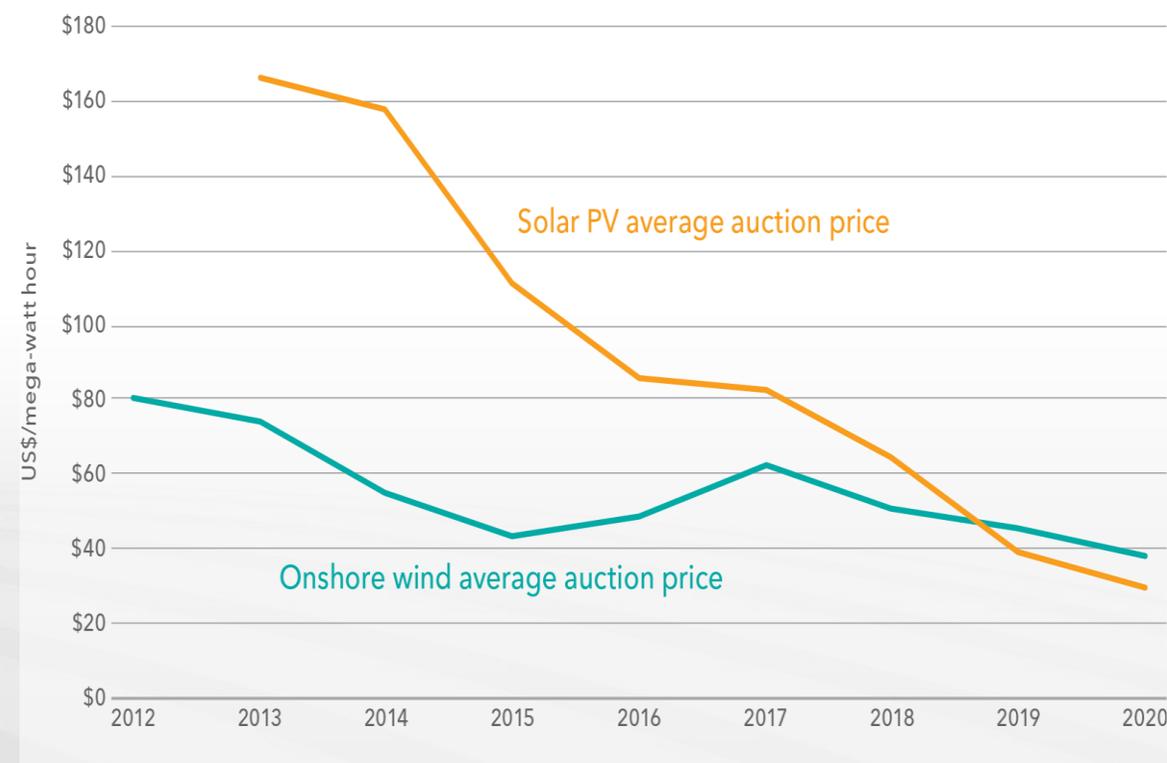
## Key functions and relationships affecting rural environments



# Bringing electricity to revitalize rural areas

- Almost one billion people globally still lack access to electricity
  - Share of rural population with access to electricity in Bangladesh: **59%**
- Cost declines and high solar potential in rural areas offer promise for ensuring access to electricity for all by 2030
- **Deliver packages of support**—access to electricity plus means to use it, e.g. lighting and refrigeration—to generate larger development benefits for rural communities
- **Beware of unintended consequences**, e.g.
  - Implications for women's time use and empowerment
  - Groundwater depletion from low-cost solar water pumping

## Cost of renewable energy at auction, global



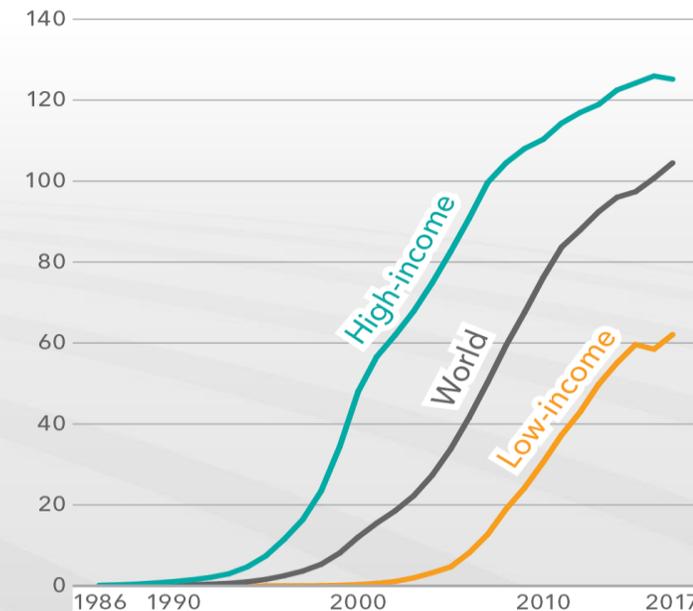
# Making institutions work for rural revitalization

- Devolution of governance to a subnational or local level can improve responsiveness to local needs if matched with adequate funding and mechanisms to ensure accountability
- The information revolution offers new tools for improving governance for rural revitalization
- **Establish an enabling and predictable regulatory environment** to encourage private investment while safeguarding rights
- **Build capacities and incentive structures** through performance contracts, delivery units, devolution
- **Promote accountability** by facilitating an information revolution

Rwanda's best performing mayors in the 2016/17 performance contract process



Mobile cellular subscriptions (per 100 people)

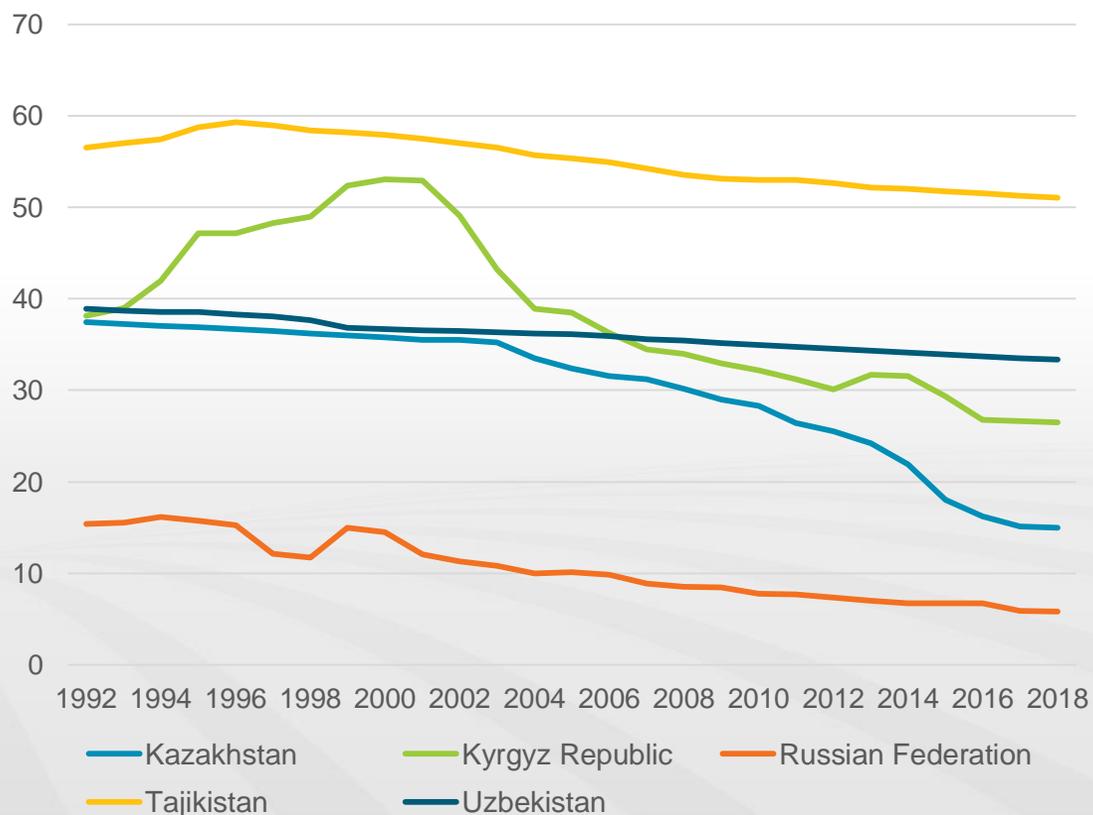


Source: *The New Times*, Rwanda; Kosec and Resnick 2019

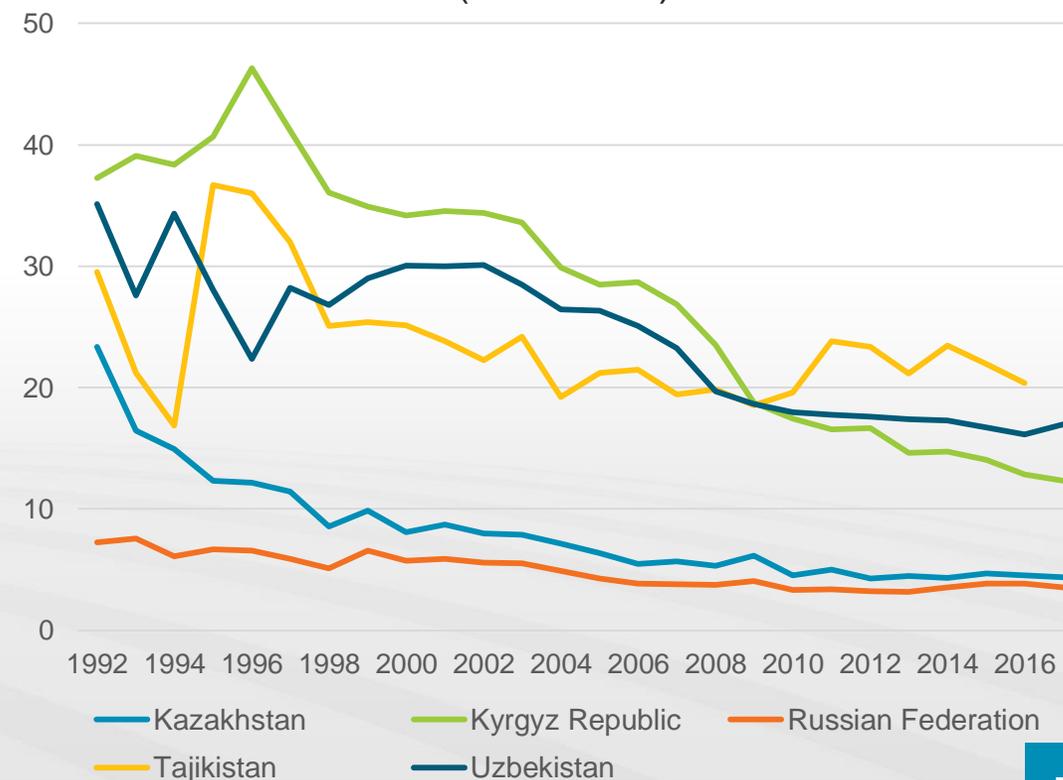
# Agriculture in Eurasia



### Agriculture's share in total employment (%)



### Agriculture, forestry, and fishing, value added (% of GDP)



Source: World Bank 2019

# Building on rural revitalization efforts in Eurasia



## Recent policy developments

- Slower growth in Russia and China contributed to depreciation of regional currencies, generating inflationary pressures in Eurasian consumer markets, including food markets
- Recent political and economic developments in Eurasia led to a surge in intraregional trade and investment

## Outlook for rural revitalization

- Efforts to develop specific regions or sectors of an economy through cluster development and special economic zones (SEZs) have had mixed results
- Need to strengthen role of the private sector, given the uncertain environment and growing demand for employment, especially in rural areas
- Creating an enabling environment for regional integration, trade, and private sector development, will be important for economic development and a more competitive, healthy, and well-nourished population

- **To achieve the SDGs and climate goals, the rural crisis must be addressed**
- **Rural revitalization is critical, timely, and achievable**

