TOWARDS A STRATEGY FOR RURAL DEVELOPMENT

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WHY IS RURAL DEVELOPMENT IMPORTANT?

- Significant numbers of population live in rural area in developing countries.

- The majority of the world's poor and hungry live in rural area. Rural populations accounts for 45.3 percent of the world's total population, but 70 percent of the world's extremely poor. (IFPRI, 2019).

- Economic growth from rural development is, at minimum, twice as helpful as that from development in other areas (World Bank, 2008).

- Huge gap between urban and rural dwellers in terms of income, nutrition, health service and education. Rural development would be a key to reduce such gaps.

STANCE



The United Nations

OBSTACLES, FAILURES & SOLUTIONS

- 1. Poverty
- 2. Lack of infrastructure
- 3. Lack of investment (education & employment)

POVERTY

- Most of the extreme poor about 80 percent live in rural areas
- Their incomes depend greatly on agricultural activities, either from work on their farms, or agricultural wage employment
- While agriculture is the main source of food and income for the rural extreme poor, diversification is also an important strategy to end extreme poverty

Diversification examples: off-farm activities such as food transformation, processing and packaging

- High correlation between living in ultra poverty (those living on less than 50 cents a day) and living in ultra hunger (those consuming fewer than 1,600 kcal a day)
- Hunger and undernourishment perpetuate extreme poverty, reducing labour productivity in the short and long term. They also affect children's future through learning difficulties, poor health, and lower productivity and earning over a lifetime

Angola - Market-oriented Smallholder Agriculture Project (MOSAP I) / 2004-2013

: renting mechanization services, farmer empowerment, extension services, etc.

- Lack of data on household incomes, assets and food security at baselines or during monitoring
- Over-ambitious design that did not take the national context into consideration
- Limited human capital to implement the project

Democratic Socialist Republic of Sri Lanka - Smallholder Entrepreneurship Development Programme (SPEnDP) / 2007-2016

: outgrower and diversification development, rural financing and credit, etc.

- no consistent statement of objectives applied over the life of the programme or within key documents due in part to last-minute changes to the design.
- many of the institutions adopted through SPEnDP ceased to function after the completion, showing low prospects for sustainability of grassroots rural institutions.

POVERTY

What is the biggest challenge?

- There is lack of qualified staffs for extension service: the staffs are in short supply and are under-trained (FAO, 2001).
- Agricultural products quality does not meet the market standard of both domestic and export market (FAO & WHO, 2005).

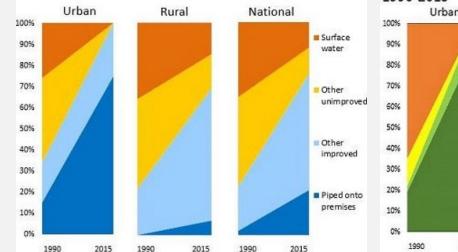
Income Improvement through two steps:

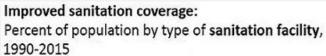
- 1) Agricultural Productivity Improvement: high yield seed, extension service, irrigation system, appropriate technology
- 2) Encouraging Food Processing: added-value increase, job creation in food processing industry, surplus export
- Make group oriented activities so that the extension staffs would teach them skills to be productive
- Increase the number of extension staffs and provide appropriate training
- Distribute household level techniques for quality control so that agricultural products can be commercialized (marketability)
- Improve the access to local information on farming, packaging, etc.

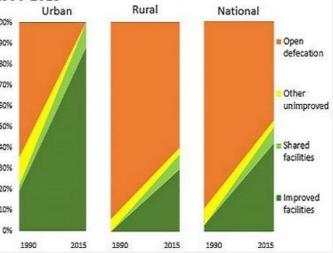
LACK OF INFRASTRUCTURE

- More than 1.2 billion people or 17% of the world's population have no access to electricity.
- About 80% of those without access to modern energy live in rural areas.

Improved drinking water coverage: Percentage of population by improved & unimproved water sources, 1990-2015







1. Water, Sanitation, and Hygiene (WASH) Projects: What's going wrong?

a. Lack of maintenance

- Less than 1% of WASH projects have long-term monitoring.
- Cost of failed water systems estimated to be \$1.2 billion.
- b. Low rate of progress relative to SDG Goals
- Achieving universal access to even basic sanitation service by 2030 would require doubling the current annual rate of progress.
- c. Lack of funds
- Over 80% of countries report insufficient financing to meet national WASH targets.

2. Energy Poverty:

Fiji - Solar Home Systems(SHS) / 2015~

- : funded, maintained by the government, which partners with Renewable Energy Service Company(RESCO) for servicing and maintenance works.
 - Limited transfer of Technical knowledge to SHS households.
 - Not all houses could be visited by DoE officials
 - Lack of incentives for the RESCOs to make every SHS work properly
 - Absence of private sector investments in electricity generation for the rural areas

2. Energy Poverty :

a. The energy industry is a centralized commodity market.

200 million people in developed economies suffer from energy poverty. (International Energy Agency)

b. Lack of incentives to private sector's investment in marginal areas.

INFRASTRUCTURE (ENERGY, WATER, SANITATION, ...)

Solutions

I. Local residents should be **trained, from the onset, on the usage and basic maintenance of water and sanitation facilities.**

- Studies show that those who are not accustomed to using WASH facilities for various contextual reasons tend to abandon them after a few tries if they seemingly don't work.

2. International organizations should be recommended to **allocate more monetary resources to regular maintenance**, instead of short-term delivery.

3. Decentralized, flexible energy systems through integration of smart grids and digital platforms.

- Smart grids can achieve local goals such as reliability, carbon emission reduction, diversification of energy sources, and cost reduction.
- This would be an ideal way to integrate renewable resources on the community level.

4. UN should encourage states to initiate programs to **motivate private sectors to invest**. e.g) The New Markets Tax Credit Program (NMTC) program

: attracts capital to low-income communities by providing private investors with a tax credit

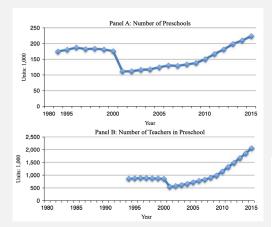
LACK OF INVESTMENT (EDUCATION & EMPLOYMENT)

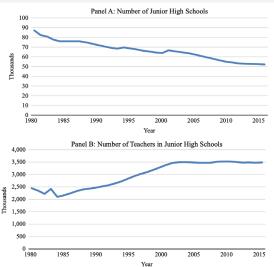
Current situation:

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- Many countries still lack of innovative concepts for rural development, there is no significant investment and weak institutions are slowing progress. (GIZ)
 - Only one third of all countries spend between 15 percent and 20 percent of total government expenditure on education, as recommended in the Education 2030 Framework for Action. (ECOSOC Report at https://undocs.org/E/2019/68)
- Need more accountability by governments to allocate resources to education investment.
- Investment policy framework for sustainable development (UNCTAD, 2015)

- 40 years educational reform in 1980's in China
- Expansion of preschool in countryside
- China's first law on a 9-years Compulsory
 Education in rural area
 - Effective yet short-term and temporary
 - Expansion of preschool participation (no further)
 - Existing problem of poverty
 - Affordability & accessibility
 - Surplus of teachers & continually declining secondary education





2. Uganda's educational reform in 2000's

- Changes in curriculum (ICT), increased funding by the gov't, increased role of private sector
 - Constraints: lack of electricity, inability to afford technology, lack of teachers
 - Limited to teaching basic computer-use skills
 - Weak collaboration with international organizations

INVESTMENT IN EDUCATION & EMPLOYMENT

Our solution: Incentive-Oriented Method

- Teachers to teach in countryside (higher salaries) & educate rural teachers (NGOs)
- Organizations/enterprises to build schools (financial aid, subsidies, provision of land)
- Setting a certain minimum percentage of government expenditure dedicated to educational reform
- Develop the rural economy, making education more affordable to rural population
- Affordable, accessible, reliable and context-sensitive digital education program (reducing inequalities and promoting equal opportunities)

COMPREHENSIVE RURAL DEVELOPMENT PROGRAMME



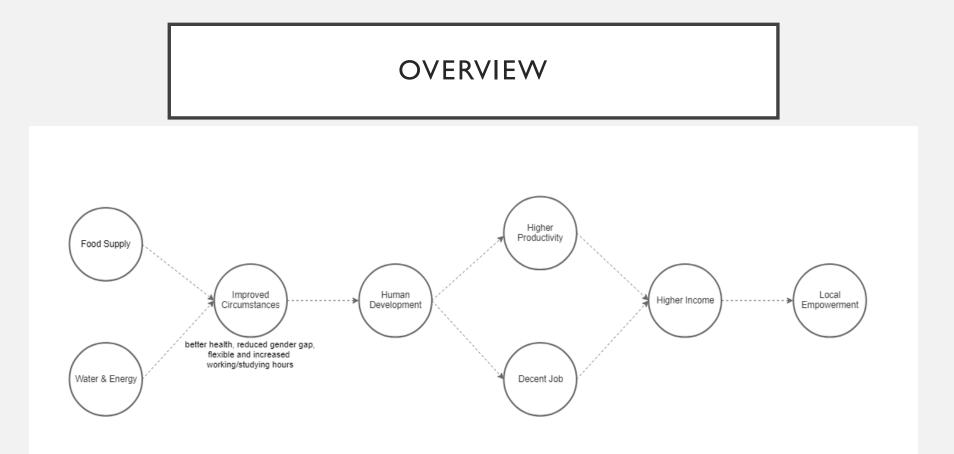
EXPECTED RESULTS (SHORT TERM)

- Access to water and energy
- Sanitation improvement
- Better nutrition
- Health improvement
- Flexibility in working hours



EXPECTED RESULTS (LONG TERM)

- Quality of education
- Availability and accessibility of education
- Workforce performance
- Improvement in standards of living
- Innovation through invention
- Modernization



GOALS ACCOMPLISHED

Goal I: No Poverty

Goal 2: Zero Hunger

Goal 3: Good Health and Well-Being

Goal 4: Quality Education

Goal 6: Clean Water and Sanitation

Goal 7: Affordable and Clean Energy

Goal 8: Decent Work and Economic Growth

Goal 9: Industry, Innovation, and Infrastructure

Goal II: Sustainable Cities and Communities



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