
**THEMATIC PAPER ON MDG 1:
ERADICATE EXTREME POVERTY AND HUNGER:
REVIEW OF PROGRESS, 2010**

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EXECUTIVE SUMMARY

- Target 1.A:** Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day
- Target 1.B:** Achieve full and productive employment and decent work for all, including women and young people
- Target 1.C:** Halve, between 1990 and 2015, the proportion of people who suffer from hunger

POVERTY REDUCTION AND EMPLOYMENT

Between 1990 and 2005, the share of the population in the developing world living below US\$1.25 a day fell from 42 per cent to 25 per cent, reducing the number of poor by 445 million (from 1.82 billion to 1.37 billion). Global poverty reduction has been led by China, which cut its poverty rate from 60% to 16% between 1990 and 2005. In the rest of the developing world, the headcount ratio fell from 36% to 28%. The financial and economic crisis of the past two years has deepened the challenge of poverty reduction even further by slowing growth in many low- and middle-income economies. Global GDP growth fell from 3.8 per cent in 2007 to 2.0 per cent in 2008 and fell further to –2.2 per cent in 2009. As a result of the drop in incomes, an estimated 50 million additional people were left in extreme poverty in 2009 and 14 to 15 million additional people will be below the poverty line in 2010, compared to what would have been the case if economic growth had not stalled. The aggregate \$1.25 a day poverty rate is estimated to have fallen from around 19 per cent in the “pre-crisis” year of 2008 to 18 per cent by the end of 2009, while the pre-crisis growth trajectory for 2009 would have instead brought the poverty rate down to 17 per cent. Women, however, are in many countries more likely to be poor, and face serious discrimination in employment, wages and other areas. In some regions eight out of ten women workers are considered to be in vulnerable employment, with global economic changes taking a huge toll on their livelihoods.

Based on projected trends, global poverty measured at the \$1.25 a day line will fall to 15 per cent by 2015, leaving 918 million people below the poverty line. Thus it is projected that MDG Target 1.A will be met at the global level. Success at the regional and country level is varied. In particular, despite projections of accelerated poverty reduction in sub-Saharan Africa from 2010 to 2015, Africa is projected to fall short of the MDG target. It is estimated that the \$1.25 a day poverty rate in sub-Saharan Africa will fall from 58 per cent in 1990 to 38 per cent in 2015, and the actual number of people living in poverty in sub-Saharan Africa will increase compared to 1990. More generally, the Millennium Development Goals Report of 2009 states that “Globally the target of reducing the poverty rate by half by 2015 seems likely to be achieved”, while estimating at 1 billion the sheer number of people likely to remain in extreme poverty by the target date of 2015.

In order to be effective, efforts to scale up the development process must be anchored in country-led development strategies. Framed against a long-term development vision, these strategies set medium-term targets for progress toward the MDGs and related development outcomes. They also define clear actions and priorities for achieving those targets, linking policy agendas to medium-term fiscal frameworks.

Efforts to provide full and decent employment for all must be revitalized. Progress in achieving targets on poverty and employment has been uneven. Sustained and accelerated progress is needed if the employment target of MDG 1 is to be reached by 2015. While there has been global improvement in poverty reduction over the last decade, the economic crisis has brought a generalized setback in progress towards the attainment of the MDGs. Between 1997 and 2007, the global number of working poor living with their families in extreme poverty had fallen by more than 285 million, or from 38 to 22 per cent. Decent work is a fundamental factor not only to fight poverty but also income inequality, as a great proportion of households' incomes are generated in the labour market (about 70% in Latin America).

The economic crisis is threatening to undermine and reverse former gains through its profound impact on jobs and enterprises. In 2009 some 55 to 90 million more people will live in extreme poverty than had been projected at the start of the crisis. As a result of the economic and financial crisis it is estimated that in 2008 some 633 million workers – 21.2 per cent of the workers in the world – lived with their families on less than \$1.25 per person per day. It is also estimated that in 2009 this number increased by up to 215 million, including 100 million in South Asia and 28 million in sub-Saharan Africa. This suggests that up to an additional 7 per cent of workers were at risk of falling into poverty between 2008 and 2009. The number of young unemployed (between the ages of 15 and 24) reached 72.5 million in 2007 (40 per cent of total unemployed). Due to the economic crisis, the number of unemployed youth increased by 10.2 million in 2009. The fact that women are disproportionately represented in temporary employment and that women tend to comprise a substantial share of employment in

export-oriented manufacturing industries in many developing countries may result in higher unemployment rates for women. While the level of unemployment has increased for both men and women, the quality of available jobs has also deteriorated, with many wage and salaried workers who lost their jobs reporting as own-account or unpaid family workers.

In addition, the majority of the working poor live in rural areas and depend on agriculture for their livelihoods. Promoting decent work is a greater challenge in rural areas, where many jobs do not ensure decent levels of income or sustainable livelihoods, working conditions are poor, labour legislation is poorly enforced and social dialogue is weak. Rural workers are among the most socially vulnerable and the least organized.

Even before the crisis, youth unemployment was rising faster than overall unemployment worldwide, and young people were nearly three times more likely to be unemployed than adults. The global youth unemployment rate rose by 8.5 million between 2008 and 2009, the largest year-on-year increase in at least ten years, and by more than 10 million since 2007, when the number of young unemployed (between the ages of 15 and 24) reached 72.5 million. Globally, the female share of inactive youth was 56.5 per cent in 2007. Women's youth unemployment was between 1.8 to 4.6 times higher than female adult unemployment rates across regions in 2007, showing a similar pattern as for male youth.

Previous crises have shown that there is generally a time-lag of three to six years between financial recovery and the recovery of employment to pre-crisis levels. Moreover, after a crisis the recovery of previous poverty levels is slower than the recovery of growth. Consequently, timid signs of global recovery on the financial side should not discourage efforts towards a jobs-led recovery, especially since in most countries the reattainment of previous employment levels will not be sufficient to strengthen economies so as to achieve decent work for women and men, and absorb new labour market entrants.

Pro-poor growth through decent work is fundamental to achieving the MDGs. The recognition that employment and decent work are legitimate and fundamental goals in their own right, and are not the automatic by-products of growth, led to the inclusion in 2005 of a new MDG Target (1.B): "achieving full and productive employment and decent work for all, including women and young people". Decent work comprises four inseparable, interrelated and mutually supportive pillars: employment promotion, rights, social protection and social dialogue. It is essential for promoting the eradication of extreme poverty and hunger (MDG 1), the largest in scope of all the MDGs. Without the decent work target, it is unlikely that the other MDGs can be achieved or that growth will bring social progress. Failure to achieve one jeopardizes all the others.

Rapid gains are possible through the implementation of coherent policies and broad partnerships. Experience and knowledge gained over the past decade suggest that some ways of achieving the MDGs are known, as are the challenges faced by countries. Even in the poorest regions there have been pockets of success in quality employment generation and poverty reduction. Successful programmes, especially employment-intensive initiatives, small and medium enterprise promotion, notably where they involve microfinance and self-employment initiatives, have yielded remarkable results in supporting poverty reduction and should be more widely replicated and scaled up to cover larger parts of the population, especially in rural areas. Employment guarantee schemes and cash transfers have also brought positive results, but simultaneously investing in people and promoting the right environment for the creation of high productivity jobs are two critical requirements for sustainable poverty reduction.

In countries where policymakers have made decent work central to national development and poverty reduction strategies and UNDAFs, their economies have better responded to the impact of crises and mitigated their effects.¹ Management tools that support the assessment and optimization of policies and programmes incorporating decent work are a positive step towards bridging policy gaps. The right to organize, especially through freedom of association, is essential to ensure that the voice of those concerned is heard in policy development and implementation.

Traditional partnerships, both multilateral and bilateral, are of critical importance, and the commitments made to poor countries need to be kept. Similarly, donors need to align their priorities with national, country-owned, poverty reduction strategies.

South-South cooperation is increasingly being used as a practical framework and a flexible modality for partnership building and collaboration towards the MDGs. South-South cooperation has proven a key factor for the advancement of the Decent Work Agenda and combating the global economic crisis: developing countries may soften the impact on their economies by increasing cooperation with other nations of the South.

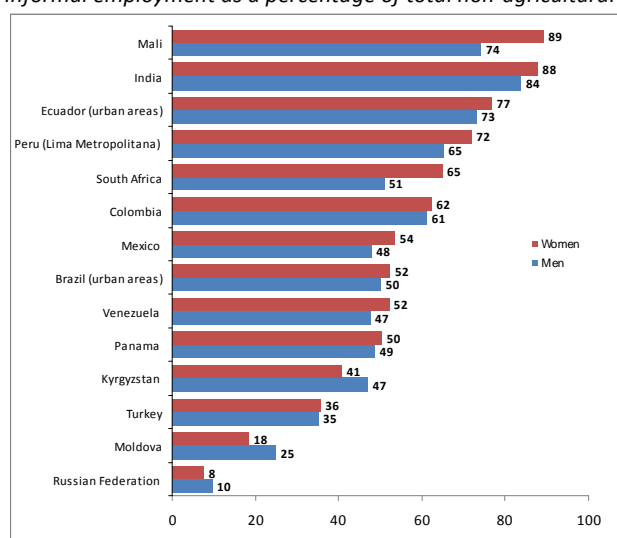
¹ *Protecting people, promoting jobs: A survey of country employment and social protection policy responses to the global economic crisis*, ILO, Geneva, 2009.

A number of critical gaps have proved serious obstacles to reaching full productive employment and decent work targets. The rural-urban and gender gaps need to be addressed with urgency in order to create sound employment policies that contribute to Target 1.B. Rural areas host some 75% of the world's poor and suffer from a wide range of decent work deficits: higher rates of un- and underemployment in most regions, especially among young people and women; limited social protection; some 70% of working children are found in agriculture; and wage workers who are mostly temporary. In many poor countries rapid rural-to-urban migration is occurring as people seek jobs, reinforcing the linkages between migration, vulnerability to poverty and health risks. Most of the urban population, however, operates in the informal economy, without security of tenure. Significant inequalities within cities make infrastructure deficiencies very obvious.

In many countries **policy gaps** were impeding the attainment of the MDGs prior to the crisis and have since exacerbated its impact. Preliminary evidence suggests that rises in unemployment, under-employment and informality have been less marked in regions and countries where they have been addressed by strengthened policies during the crisis. Only 20 per cent of the world's population has adequate social security coverage and more than half have no coverage at all. Policy gaps can be addressed through the systematic linkage of MDG targets and time-bound objectives, and by incorporating the four components of decent work as elements that provide an all-encompassing approach to labour-related policies.

It is likely that the recent financial crisis has also led to a surge in informal employment due to job losses in the formal economy. In some developing countries over 80 per cent of workers have precarious jobs – as owners of informal-economy businesses, contributing family workers or employees without social security benefits (including subcontracted home workers and domestic workers). In most of these countries, women are over-represented in informal employment. In Mali, for example, close to 90 per cent of all employed women have informal jobs, compared to 70% for men.

Informal employment as a percentage of total non-agricultural employment, women and men, selected countries, 2003-2005



A critical obstacle to the achievement of Target 1.B is the **poor capacity of institutions** to deliver services efficiently and implement policies effectively. The challenge is to reach large parts of the population and have a measurable impact on national outcomes. Weak institutions are unable to scale up programmes successfully, to inform or train people, to provide them with skills or education, to generate employment opportunities, to increase gender awareness, or provide health-related information and services. The strengthening of human capital needs to be accompanied by improved service delivery and better public sector governance.

Accurate and detailed data on employment and productivity trends is even more urgently needed. Detailed data and regular information on employment, rights, social protection and social dialogue, not least with regard to the poorest segments of the population and disaggregated by sex are central to decent work-led policy development and monitoring. Data on women's time use and their investment in unpaid care work is particularly essential to inform policy making. The employment and decent work indicators adopted for Target 1.B were barely one year old when the world financial and economic crisis hit in 2008. They are designed to be clear and straightforward, strengthen labour market monitoring and analysis, and to interpret and provide a basis for international comparisons. Figures on productivity and employment growth in particular are of major relevance to poverty, since they provide valuable feedback on whether the development process is heading in the right direction. A

complete picture of progress on decent work is provided by the application of the fuller set of indicators used by the ILO.²

The crisis can be used as an opportunity to further motivate political commitment for sustainable poverty reduction and social justice and to shape new gender equality policy responses. The 2010 review of the MDGs is taking place in a context characterized by three main factors: (i) the unanimous and unprecedented political will to make decent work a focus of poverty reduction efforts; (ii) a crisis of major dimensions following years-long structural poverty and deep income inequalities in most countries; (iii) greater commitment to shift towards a low-carbon world economy. Efforts by governments to address the social impact of the world financial and economic crisis have placed major emphasis on employment generation and income support to workers and families, and have stimulated social dialogue and consultations with business and labour on measures to counter the crisis. This new situation may have far reaching consequences for the achievement of the decent work targets.

The crises has alerted all economic actors to the limits of the early globalization model and led to the adoption of globally endorsed responses and frameworks to address its impact, such as the ***Global Jobs Pact*** of June 2009, which provides concrete recommendations at policy, strategy and programme levels, including a call for recovery packages to take into account the impact on women and men and to integrate gender concerns in all measures. Other initiatives include the UN ***CEB Joint Crisis Initiatives*** and the ***L'Aquila Food Security Initiative***.

Emphasis should be placed on creation of green jobs. Adaptation to climate change offers the potential for decent job creation and enterprise development in both developed and developing countries, and should be taken up while countries are battling against the crisis, not when it is over. The challenge of achieving just transitions to a low carbon economy, which are critical to ensure that economies are made sustainable, should mobilize governments, employers and workers to engage in dialogue on coherent policies and effective programmes. However, it is necessary to strengthen analytical research into ways of intensifying employment gains as a primary objective of national development strategies and as a means of linking social progress and economic development.

The timid signs of global recovery on the financial side should not discourage efforts towards job-led recovery. In most countries the reattainment of previous employment levels will not be sufficient to strengthen economies so as to achieve decent work for women and men. The scale of the global jobs deficit calls for a dynamic response commensurate with that given to the global collapse of financial markets.

HUNGER AND UNDERNUTRITION REDUCTION

I. Trends

The MDG1C target – “reduce by half the proportion of people who suffer from hunger” – is among the worst performing of all MDG targets. Hunger in the world, as measured by the proportion of population below the minimum level of dietary energy consumption (MDG indicator 1.9), decreased steadily for three decades, despite rapid population growth. Since 2003, however, it has increased, partly as a result of high food prices and the global financial and economic crisis, reaching 15 percent in 2009. More than 1 billion people were undernourished in 2009.

Despite the reversal in global trends, at the regional and national level there are some encouraging signs. Between the baseline period of 1990-92 and 2004-06, 11 out of 103 developing countries already reached the target and 45 are on track.

The other indicator to measure hunger in the world is the prevalence of underweight children under five years of age (MDG indicator 1.8). Underweight in children is present when a child’s weight is low for its age. It declined in developing countries from 31 per cent in 1990 to 26 per cent in 2008; nevertheless, the prevalence is still alarmingly high. Of 117 countries, 63 are on track to halve the prevalence of underweight among children under five by 2015.

Reducing hunger and undernutrition will be critical to the success of the other MDGs, particularly those relating to poverty, education, gender, child mortality, maternal mortality and health.

II. Successful strategies and interventions

The strongest lesson emerging from the last two decades of implementation experience is that making rapid and sustainable gains in reducing undernutrition and hunger is possible. The range of interventions required has been

² http://www.ilo.org/employment/Whatwedo/Publications/lang--en/docName--WCMS_110511/index.htm

largely established and agreed upon. Country-level progress in achieving the MDG target for halving hunger requires scaling up interventions based on a comprehensive approach that have proven to work at the national level, addressing the availability, access, utilization and stability dimensions of food security, focusing on immediate needs and assisting in building sustainability in order to eliminate the root causes of hunger and progressive realisation of the right to food.

- **Nutrition and health-based prevention and treatment approaches:** Nutrition and health-based approaches include prevention and treatment-based nutrition interventions, such as exclusive breastfeeding during the first six months, improved supplementary, complementary and therapeutic foods and feeding, nutrient supplements, food fortification and deworming.
- **Food and nutrition safety-net approaches:** Social safety nets protect people against risk and vulnerability, mitigate the impacts of shocks and support people who suffer from chronic incapacities to secure basic livelihoods. It is important that these interventions focus particularly on food and nutritional security. They can involve cash, food or vouchers transfers, school meals, mother- and child feeding programmes or subsidies to address acute and chronic crises.
- **Smallholder farmer productivity-enhancement approaches:** Policies promoting smallholders' productivity, especially women, lie behind country success stories that have succeeded to improve food access for small farming households, including through empowering poor rural communities.
- **Multi-sector approaches:** Greater attention to hunger and undernutrition requires integrating technical and policy interventions with broader and more integral approaches which incorporate perspectives from agriculture, health, water and sanitation, infrastructure, gender, education, good governance and legal, judicial and administrative protection.

III. Key factors of success

Many countries that have successfully reduced hunger over the past decade and a half share the following characteristics, irrespective of their geographical location, size or level of development. These characteristics have been successful as long as they were followed in an integrated fashion.

- **Equitable economic growth:** Strong macroeconomic performance, export orientation and measures that allow for a wider sharing of benefits, such as investments in social protection and rural infrastructure and macroeconomic stability, have contributed to equitable economic growth in many countries.
- **Outreach to vulnerable and poor:** Investment and assistance, including through social protection programmes that address food and nutrition security, should focus on the poorest and most vulnerable segments of the population, including women and young children. Their human rights should be protected. Targeted investments in rural development help vulnerable groups get out of food insecurity
- **Social protection and disaster risk reduction:** Management of food stocks, food and nutrition programmes, protection of assets and distribution of agricultural inputs are standard responses to food and agricultural emergencies. In addition, during financial and economic crises, stimulus packages help to avoid business failures and prevent economic collapse.
- **Investments in sustainability:** Planning for a sustainable development in the future does not have a direct impact on past performance in reducing hunger, but successful countries do tend to incorporate sustainability as an objective for public sector investment. Moreover, countries that do not invest in sustainability are likely to enjoy only temporary success.

IV. Critical gaps

Even though nutrition-based interventions have very high returns, governments and their development partners have failed to provide essential domestic public goods needed to achieve sustained food and nutrition security, due to underinvestment in agriculture, nutrition and health. Critical gaps are:

- **Lack of priorities:** Food and nutrition security has often not been a priority. Of 60 PRSPs reviewed, few included nutrition into strategies or budgetary priorities.
- **Lack of resources:** Many governments invest too little in efforts to fight hunger and undernutrition, do not target the most vulnerable populations or do not address root causes.
- **Unclear ownership and accountability:** Food security, hunger and especially nutrition relate to various government departments (e.g. agriculture, health, education, water and sanitation) and ownership of programmes and policies at the country, district and local level is often lacking, undermining

accountability. Women's unequal access to land and property rights has severe economic consequences on all of the MDGs.

- **Inadequate capacities and undeveloped systems:** There is often little local capacity to develop, manage and monitor programmes and systems. Much of sub-Saharan Africa and some countries in Asia have been unable to introduce and sustain critical interventions.
- **Inadequate scale:** Some interventions have been successful in small-scale settings, but have not been taken to scale at the national level due to capacity, financial or system constraints.
- **Insufficient information, monitoring and evaluation:** Information on food security, particularly on the access, utilization and stability dimensions, is often weak, outdated, non-existent or not disaggregated, limiting the ability to identify coverage gaps and how, where and for whom to intervene.

V. Priorities for Action

The principal factors that need to be addressed to achieve food security are the following:

- **Raise food and nutrition higher up on the political agenda:** Accelerated progress in fighting food insecurity requires governments to put food and nutrition security much higher on their agendas.
- **Focus on hunger hotspots and vulnerable populations:** Hunger hotspots within countries should be a top priority. In line with the comprehensive approach, policies should address immediate needs of the vulnerable, including women and young children, the hungry and poor, and investment in sustainable agriculture, food security, including through food safety nets, nutrition and broad-based rural development to eliminate the root causes of hunger and progressive realisation of the right to food.
- **Unify national strategic frameworks for food security:** One national plan, one budget, one legal, policy and institutional framework and one reporting mechanism should be in place for a harmonized, streamlined effort to enhance food security. International organizations should play an active role in supporting governments by providing tools, technologies, capacity and resources to address hunger in the context of a wider, locally owned-development strategy.
- **Recognize the right to food and develop state capacities to respect, protect and fulfil it:** The effective implementation of a national strategic framework depends on the development of the State capacity to respect, protect and fulfil the right to food.
- **Strengthen social protection, including food and nutrition safety nets:** Social safety nets need to focus on food and nutrition security, focusing on the critical window of opportunity between conception and 24 months. Depending on the context and capacities, they can take various forms, including food, cash or voucher transfers, cash- or food-for-work programmes, supplementary feeding programmes for vulnerable groups, school meals and targeted food subsidies.
- **Invest in smallholder agriculture and narrow the nutrition gap:** Agricultural growth processes that include smallholders, especially women, have a large impact on poverty, hunger and undernutrition. Address the nutrition gap by boosting the production and consumption of a diversity of high quality foods.
- **Improve the information base and monitoring and accountability:** In many countries, more rapid and reliable data are required and better coordination is needed between producers of food and nutrition statistics and users that monitor and assess the food and nutrition situation and interventions.
- **Provide additional resources where they are most needed:** There is a need for adequate, timely, predictable and flexible development assistance for food and nutrition assistance. Recent commitments to increase funds for agriculture and food and nutrition security must focus on the poor and vulnerable

INTRODUCTION

1. Unless significant fresh and accelerated progress is made in combating poverty, most poor countries will fall short of the targets under MDG 1. New estimates by the World Bank show 1.4 billion people living below the international poverty line of US\$1.25 a day as of 2005³ — equivalent to more than one-quarter of the developing world's population. Strong economic growth in the developing countries in the past decade had put the goal of cutting poverty rates in half within reach at the global level, but the triple punch of the food, fuel, and financial crises creates new risks and vulnerabilities.
2. Economic growth is expected to resume in 2010, with global GDP estimated to increase to 2.7 per cent in 2010 and to 3.2 per cent in 2011.⁴ Developing countries are expected to recover faster, averaging over 5 per cent annual growth. However, the early signs that the global economy is on the mend should not be taken as a reason to overlook the significant lessons learned from past crises on the time-lag between economic recovery and labour market recovery. Moreover, after a crisis the recovery of previous poverty levels is slower than the recovery of growth: after the debt crisis of the 1980s it took 25 years in Latin America to recover the pre-crisis poverty levels, while it took 14 years to recover the pre-crisis GDP per capita levels. In the current slowdown it is estimated that employment in high-GDP per capita countries may not return to pre-crisis levels before 2013.⁵ As regards emerging and developing countries, employment levels could start recovering from 2010, but will not reach pre-crisis levels before 2011.⁶
3. ILO estimates that 51 million jobs will be lost due to the economic and financial crisis by end 2009, with rates of unemployment for women — especially young women — and the number of girls engaged in child labour as growing causes of concern.⁷
4. The crises compromised access to food from both the price side and the income side. As a consequence preliminary estimates suggest that the proportion of the global population below the minimum level of dietary energy consumption may have actually increased from 13 per cent in 2004-06 to 15 per cent in 2009. Research suggests that female-headed households are disproportionately affected by soaring food prices. This is because they tend to spend a greater share of their income on food than male-headed households.⁸ Despite the negative trends in the global figures, at the regional and national level there are some encouraging signs. Between the baseline periods of 1990-92 and 2004-06, 11 out of 103 developing countries already reached the target and 45 are on track.⁹ In addition, underweight in children in developing countries declined from 31 per cent in 1990 to 26 per cent in 2008, but its prevalence is still alarmingly high.
5. The crisis has alerted all economic actors to the limits of the early globalization model and led to the adoption of globally endorsed responses and frameworks to address its impact, such as the Global Jobs Pact of June 2009, which provides concrete recommendations at policy, strategy and programme levels. Other initiatives include the UN CEB Joint Crisis Initiatives and the L'Aquila Food Security Initiative.
6. Hunger and the lack of decent work are unacceptable facets of human poverty, reinforcing each other in a vicious circle: households suffering from hunger are generally deprived of decent jobs, and the lack of decent work brings hunger and deprivation. This interdependence is reflected in the adoption of

³ The poverty estimates cited here replace previous estimates of poverty at “a dollar a day,” and are based on new data from national household surveys, national poverty lines, and new estimates of purchasing power parities (PPPs) from the 2005 International Comparison Program (ICP). The new international poverty line of US\$1.25 a day per person (at 2005 prices) is the average of poverty lines found in the 15 poorest countries. Using this poverty line, the number of poor people in the developing world was revised upward to 1.4 billion in 2005 from around one billion in 2004 based on the previous dollar-a-day poverty line, which was tied to 1993 prices.

⁴ Global Economic Prospects, 2010 (Washington, DC: World Bank), table 1.2, page 40.

⁵ World of Work Report 2009: *The Global Jobs Crisis and Beyond*. ILO, 2009.

⁶ Ibid.

⁷ Report of the Expert Group Meeting on “The impact of the Implementation of the Beijing Platform of Action on the Full Achievement of the Millennium Development Goals.” November 2009.

⁸ “Soaring Food Prices: Facts, perspectives, impacts and actions required”, FAO, 2008.

⁹ Source: *Thematic Paper on Hunger and Malnutrition*, FAO and WFP.

decent work as the theme for the Second United Nations Decade for the Eradication of Poverty. At a higher level, it applies to all the MDGs: failure to achieve one jeopardizes all the others.

7. This report presents progress on achieving MDG1, through a comprehensive review of successes, good practices and lessons learned, obstacles and gaps, challenges and opportunities, as well as specific recommendations for accelerated action. It consists of three main sections, which cover the three targets under MDG 1: poverty reduction, full employment and decent work for all, including women and young people and hunger and undernutrition reduction.

Millennium Development Goal 1: Eradicate extreme poverty and hunger

Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

- 1.1 Proportion of population below \$1 (PPP) per day
- 1.2 Poverty gap ratio
- 1.3 Share of poorest quintile in national consumption

Target 1.B: Achieve full and productive employment and decent work for all, including women and young people

- 1.4 Growth rate of GDP per person employed
- 1.5 Employment-to-population ratio
- 1.6 Proportion of employed people living below \$1 (PPP) per day
- 1.7 Proportion of own-account and contributing family workers in total employment

Target 1.C: Halve, between 1990 and 2015, the proportion of people who suffer from hunger

- 1.8 Prevalence of underweight children under-five years of age
- 1.9 Proportion of population below minimum level of dietary energy consumption

A. POVERTY REDUCTION

Target 1.A: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day

8.

I. POVERTY: CURRENT ESTIMATES AND OUTLOOK

9. Between 1990 and 2005, the share of the population in the developing world living below US\$1.25 a day¹⁰ fell from 42 per cent to 25 per cent, reducing the number of poor by 445 million (from 1.82 billion to 1.37 billion). Global poverty reduction has been led by China, which cut its poverty rate from 60% to 16% between 1990 and 2005. In the rest of the developing world, the headcount ratio fell from 36% to 28%. The economic and financial crisis of the past two years has deepened the challenge of poverty reduction even further by slowing growth in many low- and middle-income economies. Global GDP growth fell from 3.8 per cent in 2007 to 2.0 per cent in 2008, and fell further to -2.2 per cent in 2009. As a result of the drop in incomes, an estimated 50 million additional people were left in extreme poverty in 2009,¹¹ and 14 to 15 million more people will be below the poverty line in 2010 compared to what would probably have been the case if economic growth had not stalled. The aggregate \$1.25 a day poverty rate is estimated to have fallen from around 19 per cent in the “pre-crisis” year of 2008 to 18 per cent by the end of 2009, while the pre-crisis growth trajectory for 2009 would instead have brought the poverty rate down to 17 per cent.
10. Based on projected trends, global poverty measured at \$1.25 a day will fall to 15 per cent by 2015, leaving 918 million people below the poverty line.¹² Thus it is projected that MDG Target 1.A will be met at the global level. Success at the regional and country level is varied. In particular, despite projections of accelerated poverty reduction in sub-Saharan Africa from 2010 to 2015, Africa is projected to fall short of the MDG target. It is estimated that the \$1.25 a day poverty rate in sub-Saharan Africa will fall from 58 per cent in 1990 to 38 per cent in 2015, but the actual number of people living in poverty there will increase compared to 1990. The gender aspect of poverty remains a critical area of concern: women represent 70 per cent of the world’s poor, and face serious discrimination in employment, wages and other areas.

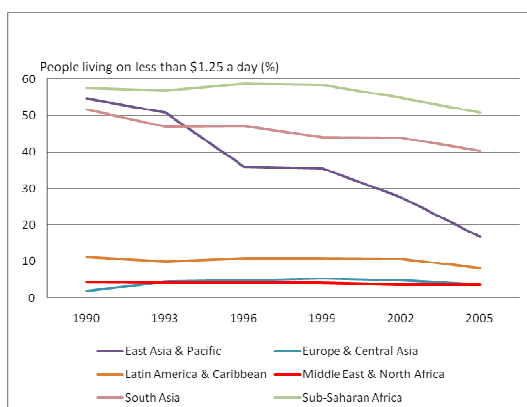
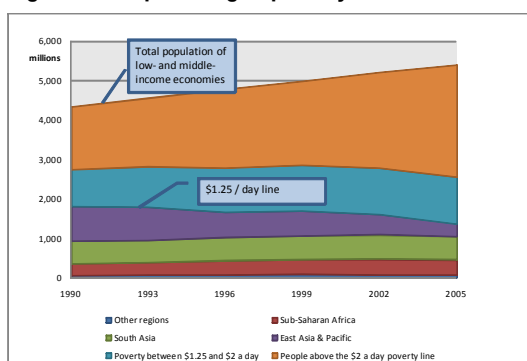
1. HISTORICAL TRENDS

11. The decline in poverty has varied considerably across regions. Starting in 1981 (the first year for which comparable estimates are available) poverty in China fell from 84 per cent of the population (835 million people) to 60 per cent (680 million people) in 1990, and fell still faster to 16 per cent (208 million people) in 2005. Led by China, the East Asia and Pacific region made dramatic progress, with poverty incidence dropping from 78 per cent in 1981 to 17 per cent in 2005 (using the \$1.25 a day definition). But progress was slow in sub-Saharan Africa, where the poverty rate was 51 per cent in 2005 – only two percentage points lower than in 1981. The poverty rate went down in South Asia, from 59 per cent in 1981 to 40 per cent in 2005, but the number of people living in poverty has risen slightly. In Latin America and the Caribbean, the Middle East and North Africa, poverty rates fell slightly during the same period, while the number of poor people has remained static. Poverty rates in Europe and Central Asia, which rose during the transition period of the 1990s, have begun to fall. (Figures 1 and 2).

¹⁰ The extreme poverty line used in the MDGs was previously set at \$1.08 a day at 1993 prices. It has been revalued at \$1.25 a day at 2005 prices. See Chen, S. and M. Ravallion (2008), “The developing world is poorer than we thought, but no less successful in the fight against poverty,” Policy Research Working Paper 4703, World Bank, Washington, DC.

¹¹ Chen, S. and M. Ravallion. (2009). *The Impact of the Financial Crisis on the World’s Poorest*, VOX, Portal of the Centre for Economic Policy Research. <http://www.voxeu.org/index.php?q=node/3520>

¹² *Global Economic Prospects 2010* (Washington, DC: World Bank), table 1.3, page 42.

Figure 1. Poverty incidence at US\$1.25 or less a day 1990-2005**Figure 2. People living in poverty 1990-2005**

Source: World Bank.

2. DECENT WORK AND POVERTY

12. Decent work is essential for promoting the eradication of extreme poverty and hunger (MDG 1). Hazardous conditions of work, precarious employment, unemployment, child labour, and forced labour come at the expense of development. Economic growth in many countries over the past few decades did not produce rapid job growth, prompting the term “jobless growth”. The lack of progress in creating productive and decent jobs, together with stagnant farm productivity in many rural areas, have been major reasons for the persistence of poverty and the rise in the number of working poor.¹³ The new threshold for extreme poverty is currently the average for the poorest 15 countries. It is estimated that between 1997 and 2007, the total number of workers living with their families in extreme poverty fell by more than 285 million, or from 38 to 22 per cent. Most notable progress has been achieved in East Asia, where the percentage of working poor has declined from 52 per cent to 13 per cent. Large reductions in extreme working poverty were also seen in South-East Asia, the Pacific, Latin America, and the Caribbean. It is estimated that, as a result of the economic and financial crisis, in 2008 some 633 million workers – 21.2 per cent of the workers in the world – lived with their families on less than \$1.25 per person per day; and that in 2009 this number increased by up to 215 million, including 100 million in South Asia and 28 million in sub-Saharan Africa.¹⁴ This suggests that up to 7 per cent more workers were at risk of falling into poverty between 2008 and 2009.

¹³ The working poor are employed persons who are part of a household in which each member is estimated to be below the poverty line.

¹⁴ ILO, *Global Employment Trends*, January 2010.

Figure 3. Global employment trends, 1999-2009



13.

Source: *Global Employment Trends*, ILO, January 2010.

14. The unemployment rate for youth (between 15 and 24 per cent) has risen faster than the overall unemployment rate worldwide. It reached nearly 14 per cent in 2009, an increase of 1.9 percentage points since 2008.¹⁵
15. Rates of urbanization and the proportion of the extreme poor living in rural areas are key to an understanding of poverty across regions. While urban populations are growing quickly in all regions and the number of urban poor is rising rapidly, roughly three-quarters of the poorest people in Africa and Asia still live in rural areas. This contrasts significantly with Latin America and the Caribbean, where three-quarters of the population, and at least 50 per cent of the extreme poor, are estimated to live in urban areas.¹⁶
16. Rapid rural-to-urban migration has produced massive slums in many developing country cities, where inhabitants operate mostly within the informal economy, without security of tenure and without formal employment, excluded from enjoying their political, social, and economic rights. Cities are strongly divided into pockets of affluence with good public services, solid infrastructure, and high-quality housing, and large squatter settlements with precarious property rights and lacking public services.
17. The Millennium Development Goals Report, 2009 estimates that “Globally the target of reducing the poverty rate by half by 2015 seems likely to be achieved”, and sets at 1 billion the sheer numbers of people likely to remain in extreme poverty by the target date of 2015. The economic turmoil of the crisis resulted in an increase of 39 to 59 million in the number of unemployed between 2007 and 2009. Over the same period the number of those in vulnerable employment situations increased by up to 100 million.¹⁷ Nearly two-thirds of all employed women in the developing countries work either as contributing family workers or as own-account workers in extremely vulnerable employment situations that lack security and benefits. This is especially true in Oceania and South Asia, where the largest share of women’s employment is as contributing family workers – 64 per cent and 46 per cent respectively.¹⁸ The large share of unpaid jobs adds to the already heavy burden of unpaid work carried out by women in households in all regions, which is not reflected in official labour force statistics. This will undoubtedly jeopardize the feasibility of reaching the poverty reduction target unless further corrective measures are taken, aimed at increasing the job creation potential of post-crisis policies. Efforts by governments to address the social impact of the world financial and economic crisis have placed major emphasis on employment generation and income support to workers and families. They

¹⁵ *ibid.*

¹⁶ ECLAC: *Social Panorama of Latin America*, 2009.

¹⁷ *Global Employment Trends*, ILO, May 2009.

¹⁸ MDGs Report, United Nations, 2009, p. 21

have also stimulated social dialogue and consultations with business and labour on measures to counter the crisis.

3. THE FINANCIAL CRISIS AND POVERTY

18. The nature and magnitude of the impact of the financial crisis are expected to vary both between and across countries. The poverty impact is likely to be caused by a combination of three main factors: (i) falling income levels; (ii) limited and already stressed coping strategies among vulnerable households due to the food and fuel price crisis; and (iii) inadequate safety nets. The most immediate and direct effects are expected to be on household incomes, including both labour and non-labour income.
19. Changes in labour income can occur through shocks to both employment and earnings. At the outset those employed in export-oriented sectors, construction, and manufacturing were most affected, due to the fall in global demand for exports and foreign direct investment. For example, in Cambodia the garment manufacturing sector for export and the construction sector lost 45,000 and 70,000 jobs by the end of 2008 and 2009 respectively. In the medium term the impact is likely to spread to other, lower-paying sectors as the entry of excess labour from manufacturing sectors into these sectors erodes the earnings of existing workers.
20. Declining commodity prices can also have a major impact on labour income, particularly in developing countries that rely on commodity exports for growth and employment generation. For example, in Zambia a quarter of miners lost their jobs in 2008; the prices of Mongolia's main export commodities dropped by around 50 per cent, and in Uganda by more than 16 per cent (after more than five years of export growth in excess of 25 per cent annually). This has led to income losses and a rise in unemployment.
21. Declining migration outflows due to a growth slowdown in high- and middle-income countries could have a serious impact on poverty in countries dependent on external remittances as a source of income. For example, remittances to the Latin America and Caribbean region are expected to fall by around 4 per cent on average, which may lead to an estimated 125,000 and 68,000 additional poor in Guatemala and Honduras respectively.¹⁹ Worsening labour markets in urban areas may also have led to a fall in domestic remittances and a reversal in internal migration trends. An estimated 20 million rural migrants became unemployed in urban areas in China during the height of the crisis, leading to an increase in the number of urban-to-rural migrants from 4.5 million in early November 2008 to more than 10 million in late December.²⁰ Women migrant workers constitute 50% or more of the migrant workforce in Asia and Latin America. Studies indicate that their remittances account for as much as 10% of GDP in some countries. Yet while migration can promote economic independence and status for women workers, it also bears great risks for women, who are more vulnerable to abuse, and could also have a negative social impact on their children.
22. Simulations using national data suggest these impacts have had varying effects on poverty rates across countries. In Mexico the loss in labour income and remittances may lead to the national poverty rate increasing by around 4 percentage points between 2008 and 2010. Primarily due to loss of labour income, the poverty rate in the Philippines could be around 2 percentage points higher in 2009 and 2010 than if there was no crisis. In Bangladesh slower growth in external remittances is an important reason why the poverty rate could be around 1 percentage point higher due to the crisis in 2010. The impact on poverty rates, however, understates the extent of losses in household welfare, since much of the impact is borne by those above the poverty line, including the near-poor and the middle class, especially in urban areas. In the Philippines income losses are estimated to be higher among the urban poor, near-poor and middle-class than among rural or extremely poor households.
23. In addition to its impact on income poverty, the crisis may also slow progress in human development in a number of countries due to the combination of falling incomes, higher proportions of household expenditure on basic needs, lower capacity for human capital accumulation, worsening nutritional outcomes, and limited coping mechanisms. Rising fiscal pressure in poor countries, particularly those heavily dependent on exports, may also lead to cutbacks in public expenditure on basic services. Recent estimates show that the financial crisis may have raised undernutrition; there will be 41 million

¹⁹ Latin America beyond the Crisis: Impacts, Policies, and Opportunities, Washington, DC, World Bank, 2009. http://siteresources.worldbank.org/LACEXT/Resources/LAC_Policy_Notes.pdf.

²⁰ *The Impact of the Economic Crisis on Migration and Remittances*, Washington, DC, World Bank, 2009. [Link](#)

more undernourished people compared to a non-crisis scenario..²¹ Moreover, other estimates suggest that Bolivia and Nicaragua, for example, are likely to fall substantially short of meeting the MDGs in respect of primary school completion, child and maternal mortality, and access to drinking water and sanitation.²²

4. FIGHTING POVERTY

24. Beyond causing hunger and malnutrition, poverty makes people vulnerable to shocks such as the financial crisis, climate change, and natural disasters. To combat poverty, countries and their development partners must aim to expand job-rich growth, reduce vulnerability to shocks, and improve access of the poor to basic services and productive opportunities. With only five years to reach the targets for 2015, achieving the global goals is a significant challenge that has been made harder by the financial crisis. The impacts of the food, fuel, and the ongoing financial crises have underscored the importance of productive employment, and labour market policies and institutions which protect the vulnerable and facilitate incomes when GDP growth eventually rebounds.
25. Agriculture lies at the heart of the battle against poverty and is normally seen as the driving force for poverty alleviation, food security and economic growth. Evidence shows that the sector is able to reduce poverty, particularly amongst the poorest of the poor, much more effectively than the non-agricultural sector. It is estimated that the farming sector is up to 3.2 times better at reducing the \$1 a day headcount poverty in low-income and resource-rich countries. The dominant role of agriculture in poverty reduction and development takes effect through a range of different channels. Primarily the sector supplies rural and urban areas with food while releasing savings and labour that assist in promoting industrialization. The success of the Green Revolution reflects an even more active role for agriculture in poverty reduction and overall growth. Major technological advances, in improved varieties or seeds, result in the sector contributing to welfare improvements and overall growth through productivity increases which in turn are able to overcome constraints on fixed resources. Forward and backward linkages in demand and supply further qualify agriculture's importance in poverty alleviation. Rural production and consumption links emerge from the utilization of agricultural output as input to the industrial sector and from the demand for inputs generated by agriculture. Another important contribution to food security and poverty reduction is made, as long as agricultural productivity increases are followed by price changes that make food items affordable to the poor and the vulnerable. Finally the importance of the sector in embracing small-scale farmers is significant. Almost two-thirds of the world's poor are concentrated in rural areas, where two out of three billion rural people reside on some 450 million small farms, which are also home to about half of the world's hungry people, including three quarters of Africa's malnourished children.

5. COUNTRY-LED DEVELOPMENT STRATEGIES

26. In order to be effective, efforts to scale up the development process must be anchored in country-led development strategies. Framed against a long-term development vision, these strategies set medium-term targets for progress toward the MDGs and related development outcomes. They also define clear actions and priorities for achieving those targets, linking policy agendas to medium-term fiscal frameworks. As at December 2009, 67 developing countries had national development strategies, or five-year plans, focused on growth and poverty reduction. Many of these plans were influenced in their content by Poverty Reduction Strategy formulation undertaken earlier in the decade in order to qualify for Heavily Indebted Poor Countries (HIPC) debt relief. These national development strategies set out development priorities and are the framework around which development assistance is organized, including UNDAF prioritization and World Bank alignment of its Country Assistance Strategies. This helps development partners to streamline and coordinate poverty reduction efforts. Significant recent examples of development partner coordination behind national strategies includes the close collaboration between the World Bank and the United Nations agencies on a common strategy to confront the food crisis and coordination with other global financial institutions (such as the IMF) in assisting countries hit hard by the financial crisis.

²¹ Tiwari and Zaman, "The impact of economic shocks on undernutrition" Policy Research Working Paper (Washington, DC: The World Bank, forthcoming).

²² Sanchez, M. V. and Vos R., "Impact of the global crisis on the achievement of the MDGs in Latin America." DESA Working Paper No. 74. (New York: United Nations, 2009).

B. FULL EMPLOYMENT AND DECENT WORK

Target 1.B: Achieve full and productive employment and decent work for all, including women and young people

I. OVERVIEW

“Work is the best route out of poverty.”

27. Decent work sums up the aspirations of people worldwide in their working lives – their aspirations to opportunity and income; to rights, voice and recognition; to family stability and personal development; and to fairness and gender equality. Decent work comprises four inseparable, interrelated and mutually supportive pillars: employment, rights, social protection and social dialogue. Decent work is a fundamental factor in combating poverty and income inequality. The gender dimension of poverty is significant: in sub-Saharan Africa and South Asia, for example, eight out of ten women workers are considered to be in vulnerable employment, with global economic changes taking a huge toll on their livelihoods.²³
28. Decent work is not only essential for promoting the eradication of extreme poverty and hunger (MDG 1). Achieving universal primary education (MDG 2) requires in part freedom from child labour so that children can attend school and have a greater chance of escaping poverty. As regards gender (MDG 3), decent work means enabling women to participate more fully in economic life. Improving child protection and the status of women plays a crucial role in reducing child mortality (MDG 4), improving the conditions of work of women, and improving maternal health (MDG 5). Promoting HIV/AIDS prevention policies (MDG 6) helps keep the most productive workers in the workforce – the largest group affected by the pandemic. Given the major employment potential of adapting to climate change, the link between decent work and environmental sustainability (MDG 7) is clear. The development of a global partnership for development (MDG 8) is a cornerstone of the necessary social dialogue that all actors in society should engage in to promote better living and working conditions for all.
29. The recognition that employment and decent work are legitimate and fundamental goals in their own right, and are not the automatic by-products of growth, led to the inclusion in 2005 of a new MDG Target (1.B): “achieving full and productive employment and decent work for all, including women and young people”.
30. The four new MDG employment indicators adopted for this new target were barely one year old when the world financial and economic crisis hit in 2008, adding to the existing food, energy and jobs crises and affecting the daily lives of millions. It is estimated that, owing to the economic crisis, in 2009 some 55 to 90 million more people will live in extreme poverty than had been anticipated before the global recession. Most of them live in rural areas, where they depend on agriculture, forestry and fisheries for their livelihoods.
31. These indicators are designed, to the extent permitted by available data, to inform policies and measure progress. Figures on productivity and employment growth in particular are of major relevance to poverty, since they provide valuable feedback on whether the development process is effectively reducing poverty. The employment indicators are complemented by a separate indicator under MDG 3 (share of women in wage employment in non-agricultural sector), and by others concerning social protection, social dialogue and workers’ rights in the set of decent work indicators used to monitor progress.²⁴
32. The first part of this section describes successful strategies and measures using a rights-based approach in such fields as gender equality, environmental sustainability, and capacity building. Illustrative examples of these are drawn from a wide range of activities, policies and measures that combine job creation, social protection, social dialogue and social rights.

²³ United Nations Development Fund for Women (UNIFEM).

²⁴ See Appendix I.

33. The second part highlights the key factors and strategies that contributed to these successes and brought positive synergies between work in different MDG areas. These examples could be replicated and scaled up to accelerate overall progress towards eradicating extreme poverty.
34. The third part reviews the more common and critical gaps that have impeded key poverty reduction strategies. It cautions that the economic and environmental crises could further derail progress and exert downward pressure on labour productivity, aggravating the decent work deficit and threatening future job creation.
35. The final part acknowledges that MDG 1 remains an area where accelerated progress is needed. It argues that while the crisis threatens the modest overall progress in reducing poverty that was reported in 2005, it also offers an opportunity for recovery oriented towards employment and decent work. It explains how the effective implementation of the Global Jobs Pact adopted in June 2009 by representatives of the governments, employers and workers of 183 States could enhance progress on MDG 1 and provide concrete recommendations at policy, strategy and programme levels to accelerate progress.

II. SUCCESSFUL STRATEGIES AND MEASURES

36. While no single country-level strategy emerged as the winner in terms of drawing millions out of extreme poverty during 2000-2010, successful measures addressing employment and decent work were undertaken even in the poorest regions, many of them replicable and capable of upscaling to accelerate progress towards MDG 1. The examples reported in this chapter echo the key findings of the UN Millennium Project on the required investments and policies.

1. HUMAN RIGHTS

37. Human rights-based approaches include international labour standards. The protection of fundamental principles and rights at work is of key importance to sustainable development. These are: freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced and compulsory labour, the abolition of child labour, and the elimination of discrimination in respect of employment and occupation. Ensuring the effective application of international labour standards helps underpin social and industrial harmony and build confidence. This in turn stimulates the economy, increases labour productivity, and builds a sound basis for the eradication of poverty. The Employment Policy Convention, 1964 (No. 122), which has been ratified by 101 Member States, provides that “each Member shall declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment”.
38. Labour inspection and administrative systems, when reinforced and effectively applied to ensure compliance with international labour standards, have brought significant gains in terms of productivity, attracting investment, boosting growth, improving working conditions in supply chains and facilitating social dialogue.

Example 1. Better Factories Cambodia

Better Factories Cambodia (BFC) was established in 2001 to improve working conditions and productivity in the Cambodian garment sector. BFC successfully combines the assessment of working conditions and relevant remediation and training activities in a continuous cycle of improvement. It operates with the collaboration of the Government, the Garment Manufacturers' Association of Cambodia (GMAC) and trade unions, and works closely with other stakeholders, including international buyers.

At the global level, BFC is credited with improving working conditions and compliance with international labour standards; promoting bipartite and tripartite social dialogue at enterprise and sectoral levels and nationally; contributing to the growth of Cambodian industry after the expiry of the Multi-Fibre Agreement (MFA); contributing to reducing poverty; mitigating the vulnerability of women garment workers; improving the reputation of the Cambodian garment industry as an ethical sourcing place; and improving workplace cooperation, which in turn has an impact on quality and productivity.

The Cambodian garment industry employs nearly 300,000 workers in some 300 factories, who are predominantly female (90%). Most of the workers come from the countryside at a young age, with relatively low education levels. Workers earn up to \$100 a month with overtime and bonuses. Typically they remit a part of their salaries to their families and retain only a very small sum for their upkeep and everyday needs. The programme has raised tens of thousands of poor rural families out of poverty.

See: <http://www.betterfactories.org/>

2. EMPLOYMENT GENERATION

39. Generating productive employment is a developmental challenge which needs to be sustained by its comprehensive inclusion in national development strategies which stimulate economic growth and development, raise standards of living, meet labour force requirements and address unemployment and underemployment. At country level the inclusion of employment objectives and targets in the national development strategy should be accompanied by specific employment policies and action plans that specify quantitative and measurable targets and mechanisms for monitoring and evaluating impact.
40. In an increasing number of countries employment is featuring in national development strategies and plans. However, these are frequently accompanied by fragmented policies which compartmentalize efforts and do not often address the main constraints on labour supply and demand. The challenge is to formulate policies based on more rigorous multi-sectoral labour market analysis. In doing this account needs to be taken of the stage and level of economic development and the relation between employment objectives and other economic and social objectives.
41. Escaping poverty requires decent work and access to basic goods and services such as health care, education, markets, water and sanitation, and housing. Investment in employment-intensive programmes to address these needs can have a large impact on both poverty reduction and living standards. Moreover, access to these basic services is key for workers to be able to engage in higher productivity jobs, independently of the sector or firm size.

Example 2. India: pro-poor growth

India has maintained strong economic growth since the beginning of the decade. Yet despite progress in lifting people out of poverty, 42% of its 1.1 billion population live on less than \$1 a day.¹ Over two-thirds of India's population rely on agriculture as their main source of income, and rural areas suffer acutely from poverty, with over 200 million rural poor in 2006.

The Indian National Rural Employment Guarantee Scheme (NREGS) provides a legal guarantee of 100 days of employment in every financial year to adult members of rural households willing to do unskilled manual work at the statutory minimum wage. The programme is regarded as one of the largest rights-based social protection initiatives in the world, reaching around 40 million households living below the poverty line. The NREGS, with an annual allocation of \$2.5 billion, supports pro-poor development through employment-intensive public works that create infrastructure, promotes land and water resource management and enables diversification of the rural economy.

Adult members of rural households register and are issued with a job identity card. Employment is usually provided within a 5 km radius of the household, but if the distance is greater, additional wages are paid. If employment under the scheme is not provided within 15 days of receipt of the application, daily unemployment allowance is paid to the applicant. Central and state governments cover the wage bill, unemployment insurance and administrative costs. The scheme has been operating since February 2006 in 200 districts, and aims to cover all 593 districts within five years.

¹ This example dates from before the revision of the poverty threshold to \$1.25 a day.

42. Labour-intensive public works programmes have been undertaken in more than 40 countries worldwide. Employment guarantee programmes of this nature have the potential of combating both poverty and unemployment with positive secondary effects on, among other things, health and crime.

Example 3. Improving livelihoods: Partnerships for public utilities in Kenya, Tanzania and Uganda

Targeting the combined needs of employment creation, income generation, improving sanitation and combating child labour, local partners established solid waste recycling centres in municipalities in Kenya, Uganda and Tanzania with the support of five UN agencies. In order to ensure sustainability, the programme engaged local partners and service providers, including municipal/city staff, small and medium enterprises (SMEs), community-based organizations (CBOs), non-governmental organizations (NGOs), informal economy operators and local training institutions.

The formalization of waste disposal services had a mushroom effect on job creation and public sanitation and working conditions have significantly improved. Some 4,000 jobs were created and 107 enterprises were engaged in solid waste collection and recycling. In most municipalities more than 50% of the wards contracted CBOs and SMEs for waste collection, and in these areas children are no longer engaged in waste collection.

43. In countries emerging from conflict, labour-intensive programmes play a key role in providing livelihoods and easing the transition to peace. Employment and income generation are integral parts of post-conflict recovery, reintegrating ex-combatants and reaching out to young women and men, helping thereby to consolidate democracy.

Example 4. From war to peace through decent work: Liberia

Following demobilization a project to increase women's employment promoted female-owned and managed companies and SMEs, which received business management training and facilitated access to credit (16,000 out of a total of 55,000 work days were performed by women) to kick-start their waste collection businesses. Other project components included outreach programmes to train women workers and entrepreneurs in leadership, negotiation and conflict resolution skills, and the National Gender Network of Liberia was established.

This good practice can be attributed to the active role that government, workers and employers played in programme and policy formulation centred on job creation. Through the National Tripartite Council the social partners undertook four regional consultation initiatives on the Draft Decent Work Bill, which enabled rural inhabitants and other stakeholders to make proposals for the draft bill as part of ongoing efforts to develop a balanced labour code with extensive local ownership throughout the country.

44. The concept of "green jobs" encapsulates the transformation of economies, enterprises, workplaces and labour markets into a sustainable, low-carbon economy providing decent work. The concept focuses on making sustainable development transform employment patterns and the labour market and thereby make them more sustainable, especially in social and environmental terms, with a view to promoting decent work. Some 30 per cent of the new jobs created by measures taken to respond to the financial crisis have involved spending on infrastructure aimed at addressing climate change.²⁵

²⁵ UNEP, ILO, IOE, ITUC: *Green jobs: Towards decent work in a sustainable, low-carbon world*, Worldwatch Institute, Washington DC, September 2008.

45. The challenge of climate change adaptation is also being addressed through a global programme involving a major partnership between various organizations. The Green Jobs Initiative was launched jointly by the ILO, UNEP, UNIDO, the International Trade Union Confederation, and the International Organization of Employers in order to promote opportunity, equity and just transitions to sustainable economies and to mobilize governments, employers and workers to engage in dialogue on coherent policies and effective programmes leading to a green economy and decent work for all.

Example 5. Promoting Green Jobs

In 2008 Bangladesh, Brazil, China, Costa Rica, Haiti, India, the Philippines, and Somalia participated in a Green Jobs Programme aimed at filling the knowledge gaps, contributing to policy formulation and assisting member countries to green their economy through the implementation of Decent Work Country Programmes. It currently concentrates on five priorities: (i) tools to diagnose labour needs and inform policy; (ii) practical approaches to greening enterprises; (iii) the promotion of green jobs in waste management and recycling; (iv) green jobs in renewable energy and energy efficiency; (v) job creation and enterprise development as part of the adaptation to climate change.

The Programme also addresses the adaptation and social protection needs of enterprises and workers affected by the production and consumption shifts involved to achieve a low carbon, sustainable economy. It is active in an increasing number of countries, particularly in the Asia-Pacific region. (See http://www.ilo.org/wcmsp5/groups/public/---dgreports/-integration/documents/publication/wcms_107815.pdf)

Developed countries are also looking into lowering their emissions and contributing to a greener economy. To strengthen growth potential and move to a low-carbon society, Japan plans to invest 100 trillion yen in green projects by 2015, which would create more than 2 million jobs in environmental businesses.

(a) Enterprise development

46. Most new jobs are created in medium and small enterprises, including cooperatives. Enterprise development is a key successful strategy for combating poverty and inequality and tackling the negative effects of the crisis within a framework for strong, sustainable, and balanced growth. It also tackles vulnerable employment and supports decent work by accelerating employment creation, job recovery and pro-poor economic growth, while expanding the possibilities for social dialogue, social protection and the realization of labour rights. Of particular importance is the promotion of entrepreneurship among a wide range of social groups, including women, young people, disadvantaged and excluded groups such as minorities and people with disabilities.
47. Micro, small and medium enterprises (MSMEs) account for over 90 per cent of enterprises in all countries and are an important source of output and employment. They employ 33 per cent of formal sector workers in low-income countries and 62 per cent of such workers in high-income countries. With the crisis, micro-business start-ups are likely to increase as laid-off workers and returning migrant workers seek to make a living. Success for these new businesses and indeed many existing ones will be difficult to achieve, given weak demand and limited credit access. Focusing on strengthening the capacity of MSMEs, facilitating their growth, promoting innovation and their capacity to generate higher productivity jobs, is at the heart of poverty reduction strategies and is also a way of addressing the needs of the 45 million young women and men that enter the labour market every year.²⁶
48. In addition, according to the International Cooperative Alliance, preliminary evidence suggests that cooperatives have so far managed particularly well in the crisis and are recruiting new members. A recent study²⁷ has shown that cooperatives are well equipped to adapt to crises, maintaining the livelihoods of the communities in which they operate.

²⁶ See, for examples, *A gender perspective in labour market governance*, ILO, Manila, 2008.

²⁷ *Resilience of the Cooperative Business Model in Times of Crisis*, ILO, Geneva, 2009.

Example 6. Cooperatives for the development of indigenous and tribal peoples

The INDISCO Programme (Support to Self-Reliance of Indigenous and Tribal Peoples through Cooperatives and other Self-help Organizations) was launched in 1993 and over a span of nearly ten years ran programmes across Asia and Africa, in India, the Philippines, Thailand, Viet Nam, Bangladesh, Cambodia, Laos, Cameroon and Tanzania. INDISCO assisted indigenous and tribal peoples to design and implement their own development projects through encouraging the creation of cooperatives and self-help organizations in order to socially and economically empower these typically excluded groups. The participatory approach as a method of local organization that was at once effective and readily adaptable to different communities.²⁸

In the Philippines, for example, INDISCO projects between 1994 and 2003 promoted institution and capacity building, the preservation and promotion of indigenous culture, income and employment generation, resource and environmental protection and gender awareness. Cooperatives were formed which ran revolving loan funds, increasing access to credit put to productive use. Within 3 years 2,500 jobs were created and income levels rose by 44%. In India, INDISCO helped create over 2,000 jobs and pulled more than 200 indebted families out of debt traps through a cooperative approach.

49. The development of labour regulations applying to micro- small and medium enterprises (MSMEs) is a key strategy to balance the goals of improving job quality while promoting and rewarding entrepreneurship and economic growth. A number of States have developed special agencies within their labour administration with particular responsibility for the promotion of labour law and its application to MSMEs. Bangladesh, Botswana, Croatia, Georgia, Peru and Ukraine, for example, have obtained policy advice on support for small and medium enterprises and their workers, including a review of the regulatory environment; export diversification; increased competitiveness; and policy dialogue.
50. Some 35 years after the First World Conference on Women the economic contribution of women, whether as entrepreneurs or workers, remains invisible and still goes unrecognized in many countries. However, research shows that women invest more in their families and communities than men. Strategies that focus on women entrepreneurs promote the creation of decent and productive work, gender equality, and women's economic empowerment, and help combat discrimination in the labour market and poverty. Access to decent work and basic goods and services such as health care, education, markets, water, sanitation, and housing is a critical issue which is closely linked to the empowerment of women.
51. In many countries women cannot fully participate in the labour market because of a division of labour that assigns them most housework and family responsibilities. In addition, the potential contribution of women to the formal economy is often undermined by their reproductive role, which constrains many to household-related activities. This especially affects women in poor households, especially in rural areas who cannot reduce this burden by obtaining services in the marketplace. This vicious circle hinders women's participation in the labour market and improvements in the household's standard of living. Given the importance of self-employment as an option for many of those who enter the world of work for the first time in developing countries, a specific focus on women's entrepreneurship development is a potentially key element of any growth strategy.

Example 7. Women's economic empowerment is crucial for poverty reduction

In over 25 countries programmes on Women's Entrepreneurship Development and Gender Equality (WEDGE) have reduced poverty through the creation of decent work and women's empowerment. In 2007 the programme reached over 10,000 women and 9,000 men, providing access to credit and training. Monthly profits of participants' businesses increased their sales fourfold and their profits by 50 per cent. The SIYB (Start and Improve Your Business) strategy has reached 940,000 entrepreneurs, mostly women, over the last decade and has helped create over 1.2 million jobs. The WED strategy has proved successful as a replicable model stimulating partnership formation between international organizations and development banks.

(b) Youth employment

52. Productive and motivated young people help drive economic prosperity. Their innovative and creative capacity can generate sustainable sources of growth and jobs. Decent work gives young people a stake in democracy, security – including social protection, and political stability, while reducing costs related to social problems, such as drug abuse and crime.

²⁸ <http://www.ilo.org/public/french/employment/ent/coop/indisco.htm>

53. Over the past year, however, youth unemployment has risen faster than overall unemployment worldwide. Even before the crisis young people were nearly three times more likely than adults to be unemployed. Due to the economic crisis the number of unemployed youth increased by 10.2 million in 2009.²⁹ In many countries this grim picture is darkened further by the large numbers in poor-quality and low-paid jobs with intermittent and insecure work arrangements, including in the informal economy. More young people are poor or underemployed than ever before: some 125 million young people were below the poverty threshold.³⁰ Globally, the female share of inactive youth was 56.5 per cent in 2007. Women's youth unemployment was between 1.8 to 4.6 times higher than female adult unemployment rates across regions in 2007, showing a similar pattern for the male youth. At the regional level the largest jumps in youth unemployment rates between 2008 and 2009 occurred in the developed economies and the European Union, which saw an increase of 4.6 percentage points, in Central and South-Eastern Europe (non-EU) & the CIS (4.5 percentage points), and in Latin America and the Caribbean (2.2 percentage points). Although increases were much smaller in the Middle East and North Africa, these two regions continue to show the highest youth unemployment rates.

Example 8. Youth employment in Mali

Mali has taken a wide range of steps to promote youth employment. The Directorate of Procurement prioritized the pursuit of labour intensive works programmes and between 2004 and 2008 almost 12 billion CFA francs (US\$ 27 million) were channelled into youth employment activities. The Government Agency for the Promotion of Youth Employment (APEJ) implemented a programme structuring training and job entry for young people which aimed to develop entrepreneurial skills and facilitate access to credit. A total of 5,625 young people received training under various schemes and 3,556 business plans were created. Credit was provided to 1,521 beneficiaries, leading directly to the creation of thousands of jobs.

54. A combination of different approaches is needed to expand job opportunities for young people outside the informal economy. These include recognition of non-formally acquired skills, public-private partnerships in training design and delivery, and the improvement of traditional apprenticeships. There is a broad consensus that the best strategy for tackling youth employment requires an integrated approach with supportive macro-economic policies and targeted measures to address labour demand and supply as well as the quantity and quality of employment through multi-stakeholder action.

Example 9. Junior Farmer Field and Life Schools (JFFLS) and Youth Farmers' Cooperatives in the West Bank and Gaza Strip

A Junior Farmer Field and Life Schools (JFFLS) programme in WBGS in the West Bank and Gaza Strip (WBGS) takes an innovative approach to empowering youth by raising self-esteem and teaching life skills. Using the agriculture growing calendar, young people learn agricultural skills while developing corresponding life lessons such as setting goals, learning the importance of personal space for growth, and teamwork, using cultural activities to keep local traditions alive. Providing a safe social space for boys and girls, the schools address gender sensitivity, child protection, psycho-social support, nutrition, education and business skills. By developing agricultural skills, young people learn the importance of sustainable farming practices and the environment.

Some 260 girls and 280 boys participated in the project, and teachers from local schools received training to become facilitators for after-school activities. Women's cooperatives prepared nutritious meals for students, and products grown by the students were sold during open days to teachers and parents, and the profits saved for future activities.

Participants stated that they developed new skills, expressed interest in continuing the programme and pursuing agricultural education, and performed well in their end-of-year exams. Participants showed a general improvement, with a positive change in their attitudes, including greater confidence and optimism. Owing to the success of the pilot project, FAO is cooperating with 18 schools in WBGS for the 2009-10 school year to continue extending its benefits to 620 new students. FAO has grouped former JFFLS graduates into new Youth Farmers' Associations (YFAs). Eight YFAs were created in 2009, and ten will be created in 2010. Ultimately, the programme may lead to a revision of the national curriculum with the inclusion of agricultural activities.

See: <http://www.fao.org/docrep/012/i1450e/i1450e00.pdf>

55. Enterprise development strategies have proven most successful when linked to advice and training on business development services, notably entrepreneurship and enterprise management training. Also valuable is their linkage to microfinance opportunities that provide credit and insurance services and play an important role in bringing informal enterprises into mainstream economic activity.

²⁹ ILO, *Global Employment Trends*, January 2010.

³⁰ ILO, *Global Employment Trends*, Geneva, May 2009.

Example 10. Egypt: Easing the transition to decent work for young people

The Programme on Continuous Apprenticeship (Ministry of Manpower and Migration) aimed to achieve a smooth transition from education to work for young people, set standards for training and provided apprentices with theoretical and practical training as well as work experience. At the end of the apprenticeship graduates received a diploma equivalent to that obtained by graduates from technical secondary schools. The programme was run in areas with high local rates of poverty, illiteracy and unemployment. The majority of the apprentices who completed their training were recruited and the remaining trainees opted for self-employment through sub-contracting arrangements with their trainers. The programme has broad implications for achievement of MDG 1 in Egypt, where the youth employment to population ratio was 23% and youth unemployment was 27% in 2002 when the pilot was launched.

See: <http://www.ilo.org/public/english/region/afpro/cairo/countries/apprenticeship.htm>

3. SOCIAL PROTECTION AND WORKING CONDITIONS

56. Social protection is crucial for sustainable and equitable economic growth and for poverty reduction. However, only 20 per cent of the world's population has adequate social security coverage and more than half have no coverage at all. Coverage is strongly correlated with the ratio of formal economy workers to the total employed. In developed economies, nearly 85 per cent of employees are wage or salary workers, this is the case of only around 20 per cent of employees in South Asia and sub-Saharan Africa, less than 40 per cent in South East Asia and the Pacific, slightly over 40 per cent in East Asia and about 60 per cent in North Africa, the Middle East and Latin America and the Caribbean. Experience shows that, if well designed, social protection plays a vital role in alleviating social hardship, particularly in times of crisis, and in injecting resources into the economy to boost aggregate demand. Total social protection spending as a proportion of GDP is often well above 20 per cent in advanced economies, whereas the figure in many parts of Asia, the Middle East and sub-Saharan Africa is as low as 2-3 per cent.³¹ In many emerging and developing countries with widespread informal economies, formal social security arrangements are unavailable to the vast majority of the working population. This problem is exacerbated in countries seriously affected by HIV/AIDS.
57. In the current financial and economic crisis a major issue is the lack of basic social security packages for workers in the developing world. The leaders of the multilateral organizations have included among a set of nine Joint Crisis Initiatives a social protection floor consisting in access to essential public services and a basic set of social transfers. This would establish a minimum level of income security and health care for all.³² In its Ministerial Declaration of 2009, ECOSOC advocated support for the efforts of developing countries in building up and improving basic social protection floors.

Example 11. Brazil's Bolsa Família: Conditional cash transfers for social and economic development

The Bolsa Família ("family stipend") was launched in 2003 and is generally considered to be the largest conditional cash transfer programme in the world. It resulted from the merger of four existing cash transfer schemes. In 2009 it covered some 12.4 million families (estimated to number 50 million people), corresponding to about one-quarter of Brazil's population. The budget for the programme in 2009 was US\$ 5.9 billion (0.4 per cent of GDP).

The programme has a number of specific objectives: (a) to reduce current poverty and inequality, by providing a minimum level of income for extremely poor families; and (b) to break the inter-generational transmission of poverty by making these transfers conditional on the compliance by beneficiaries with "human development" requirements (for example, children's school attendance, attendance at vaccination clinics, and arrangement of pre-natal visits).

A recent change to the programme has been its integration with the Child Labour Eradication Programme (PETI). Approximately 450,000 families have been identified that include children who are working, and in 2008 the programme addressed the needs of 875,000 children. This has led to particularly close monitoring of the condition that families must ensure their children's attendance at school. A useful side-effect of the programme has been that it has enhanced the concept of citizenship by requiring registration and formal certification of many otherwise undocumented residents. Similar programmes have been implemented in several other countries, a successful example being the Oportunidades programme in Mexico, the first to be implemented on a national scale.

See: [Link](#)

58. More than 30 developing countries have already implemented a range of programmes to implement a basic set of social protection guarantees. The middle-income countries are more advanced in this field, where an increasing number of large-scale programmes have emerged during the last decade.

³¹ *The Financial and Economic Crisis: A Decent Work Response*, ILO, International Institute for Labour Studies, Geneva, 2009, p. 10-11.

³² <http://hlcpc.unsystemceb.org/JCI>.

However, some 80 individual studies on the new cash transfer programmes that have sprung up over the last ten years (reaching some 200 million beneficiaries) show that they have had a generally positive impact on poverty and have avoided significant adverse effects on the labour market participation of the poor populations they serve. These have addressed such fields as health and nutrition, the social status of recipients (notably women), economic activity and entrepreneurial small scale investments, particularly in agriculture. The positive effects on economic activity, for example, in Namibia include the considerable stimulus provided to markets for locally produced goods and services through universal old-age and invalidity pensions. In developing countries – as in industrialized countries – social transfers have demonstrated their capacity to act as economic stabilizers. Other universal policies such as non-contributory pensions have also proven to have a significant impact on poverty reduction, as illustrated in Bolivia, Brazil, Chile and Mexico.

Example 12. Thailand: Extending access to social security

In 2001 Thailand introduced a universal health care scheme, taking a radical step towards achieving full population coverage in health care. The universal care scheme has been crucial in extending social health protection to the poorest in society, especially informal economy workers, and has gone so far as to include legally registered migrant workers. As of 2006-07 legal coverage for health insurance in Thailand reached almost 98 per cent of the population and total health expenditure represented 3.3 per cent of GDP. About 75 per cent of Thai citizens were covered under the universal care scheme and the remainder by pre-existing schemes targeting government employees, public sector workers and their dependants and private employees.

Thailand has developed both targeted and universal schemes, on a coordinated basis, successfully mobilizing a range of revenue sources, thus accelerating progress in increasing coverage, especially of the poor.³³ Out-of-pocket payments make up a significant proportion of total health expenditure (28.7 per cent in 2007, comprising 74.8 per cent of private health expenditure).

59. Countries could make efforts to expand public support to income security and maternity protection (both income compensation and medical subsidies for maternity) and affordable and good quality child care facilities, including community-based child care. In addition, increasing men's participation in parental responsibilities and household tasks should be encouraged. Widening eligibility conditions and increasing the benefits of existing social security schemes, as well as other income support measures such as cash transfers, enhances human capital and access to education and health services. A wide range of other targeted measures can support vulnerable groups such as workers in the informal economy and rural areas.

Example 13. Pilot social cash transfer scheme in Zambia

This cash transfer programme for critically poor people in Kalomo District demonstrates the spiralling benefits of a small, well targeted investment. The programme aimed to reduce extreme poverty, hunger and starvation, with a focus on households headed by the elderly and those caring for orphaned and vulnerable children. 1,027 households numbering 3,856 individuals were provided with \$6 per month, the estimated cost of a meal a day.

School enrolment rates have improved, with the number of households not sending at least one of their children (7-18) to school decreasing from 41.4 to 33.8 per cent and overall absenteeism from school declining by 16 per cent. Nutritional indicators have also improved substantially. The proportion of households living on one meal a day is reported to have decreased from 19.3 to 13.3 per cent, and households having three meals a day increased from 17.8 to 23.7 per cent.

An increase in productive activities has also been observed, with individuals allocating cash to income-generating activities. A recent evaluation found that as much as 29 per cent of the transfer was spent on livestock and agricultural inputs. Estimates also indicate that household debt has halved since the programme's inception and asset ownership has increased; correspondingly, the percentage of households selling assets decreased from 17 to 13 per cent.

See: http://www.socialcashtransfers-zambia.org/social_cash_transfers_zambia.php

60. The global economic crisis is posing new challenges for the world's 100 million overseas migrant workers.³⁴ They face reduced employment and migration opportunities, worsening living and working conditions and increasing xenophobia. Although no massive return of migrant workers has been observed so far, the crisis is having repercussions on their earnings and the remittances they send home. Strengthening national laws to improve social protection and harmonizing social security

³³ Thaworn Sakunphanit, ILO Bangkok Subregional Office, 2008, *Universal Health Care Coverage through Pluralistic Approaches: Experience from Thailand and New Delhi*.

³⁴ ILO, Geneva, 2009: *The global economic crisis and migrant workers: Impact and response*.

schemes helps increase the productivity of the labour force, including both national and migrant workers.

4. SOCIAL DIALOGUE

61. Social dialogue – between the representatives of government, employers and workers – is a key enabling force for achieving employment-related objectives and improving social protection. It provides a context in which the forces in the real economy can provide input on key decisions affecting national development policy, thus improving the quality of policy design. It improves trust between the social partners and commitment to policies, thus easing the way for their rapid and effective implementation. It also resolves conflicts of interest that would otherwise delay progress. National tripartite social dialogue has in many countries played an important role in overcoming severe economic difficulties. In the current financial and economic crisis, in a number of countries it has resulted in national tripartite agreement to stimulus packages and to labour market policies that extend unemployment benefits, support vocational training, provide income support for short-time working arrangements (work-sharing) and create jobs for those affected. Women’s engagement in social dialogue needs to be strengthened. In most countries more men than women belong to trade unions and more men are covered by collective agreements.³⁵

Example 14. South Africa: Tackling crises through social dialogue

At the end of apartheid rule in 1994, South Africa recognized the need to develop a strong culture of social dialogue. This has been reflected in the emergence of tripartite institutions such as the National Economic Development and Labour Council (Nedlac), which includes representation from organized business, labour, government and the community. The Government responded to the global crisis in December 2008, discussing its potential impact with social partners and agreeing that the challenges would need to be met by a collective response. This led to an agreed strategy on tackling the global financial crisis in the ‘Framework Agreement for South Africa’s response to the International Economic Crisis’ released on 19 February 2009, although a number of implementation shortfalls are currently hampering the full deployment of the agreement’s measures. The Framework Agreement is aligned with the ILO’s Global Job Pact, supporting the Decent Work Agenda and promoting job retention and creation as a means to a sustainable future and attainment of the MDGs.

62. Social dialogue also plays a critical role in protecting workers and facilitating adaptability at the level of the enterprise. Through collective bargaining, employers and trade unions in many countries have crafted agreements aimed at saving jobs, protecting incomes and ensuring the longer-term viability of enterprises. Measures addressed in such agreements include the flexible reduction of working time (e.g. short-time working arrangements), increased internal mobility and the postponement or flexible introduction of wage increases. They have also prepared workers and enterprises for recovery by using the downturn as an opportunity to introduce changes in work organization and combine periods of temporary or partial unemployment with training. Where it has not been possible to save all jobs, some employers and unions have negotiated a plan to provide workers with a severance package.
63. By improving governance, social dialogue and collective bargaining also pave the way for shared prosperity and stability in the longer term. However, sound social dialogue requires strong social partners, without which the quality of dialogue may be hampered, adjustment made more difficult, and recovery delayed.

III. THE RIGHT STUFF: FACTORS FOR SUCCESS

64. The above examples all convey the same message: that decent work – opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity – is central to the reduction of human poverty. The examples also show that reducing poverty does not necessarily require sophisticated infrastructure or highly trained workers. Yet despite these examples of successes, many of the countries mentioned are likely to miss their target and hence the goal in 2015. Many of the examples were conceived on a small scale. Greater available resources would make possible their replication and upscaling to benefit larger population groups and increase their poverty reduction impact.

³⁵ *Trade union density and collective bargaining coverage: International Statistical Inquiry, ILO, 2008-09.*

65. Before the crisis, the substantial rates of economic growth achieved in many countries had already failed to produce the expected reductions in poverty and unemployment. The crisis has brought renewed awareness of the value of the social dimension of development and the need to focus efforts on jobs, sustainable enterprises, quality public services, and protecting people while safeguarding rights and promoting voice and participation. More than ever before the development agenda needs to be fully integrated into efforts to rebuild the economy. In this regard, adaptation to climate change is an opportunity to make the necessary policy and structural changes so as to create more decent green jobs in both developed and developing countries.
66. This section highlights ten key lessons that are of fundamental importance for accelerating progress towards poverty eradication through decent work.

Lesson 1. Progress on any one of the MDGs affects progress on the others. For example, child labour is an indicator of the vicious circle of the poverty trap. It is both a consequence and a cause of poverty. Well-targeted investments can bring dramatic results: it was estimated in 2004 that the elimination of child labour and its replacement by universal education under a 20-year programme would yield a global economic benefit of \$5.1 trillion. Globally, benefits would exceed costs by a ratio of 6.7 to 1.³⁶

Lesson 2. In crises there is a significant time lag between economic recovery and the recovery of the labour market. Measures are therefore needed to mitigate their social impact, boost aggregate demand, and stimulate employment-intensive initiatives. The **Global Jobs Pact** provides a range of policy options that governments and the social partners can apply to address the negative effects of the financial and economic crisis, including issues of financial governance.

Lesson 3. Gender equality is essential to ensure the sustainability of programmes in view of the increasing feminization of poverty and the predominately female population of poor rural areas in the developing world.

Example 15. Employment for women

Two policies addressing the problem of unequal sharing of family responsibilities, which hinders women's participation in the labour market, have been implemented in Chile and Colombia. In Chile, since 2006 more than 3,000 day nurseries and kindergartens have been set up to facilitate women's access to the labour market. A second, equally important expected effect is the reduction of the pre-school educational gap between children from different socio-economic backgrounds.

In Colombia, the "Hogares Comunitarios" programme employs 80,000 women from low-income households who during the day care at their home for up to 15 children of their neighbourhoods, for which they are paid a wage. At the same time, the children's mothers have the opportunity to seek gainful employment in the labour market.

See: [Link](#)

Lesson 4. Pursuing the MDGs is not the exclusive responsibility of governments, but involves all sectors of society, including the social partners and the private sector. Opportunities to include multiple MDG concerns in development activities can result in useful synergies of action: for example, the aims of the Global Compact – to combine the private sector's ability to find solutions and resources with the expertise and capacity of other key stakeholders – can be addressed in a wide variety of settings, including combating HIV/AIDS, malaria and other diseases. The Global Fund to Fight AIDS, Tuberculosis and Malaria also offers a good example of a successful public-private partnership (PPP). Such partnerships offer a valuable means of combining expertise and resources from a wide range of actors.

Lesson 5. The successful integration of decent work into national poverty reduction strategies helps focus development priorities while promoting the MDGs. In this respect policy coherence maximizes benefits. The United Nations Development Assistance Framework is an important tool: the five key programming principles of UNDAF are very closely linked to the MDGs, in particular the key programming principles comprising gender equality, environmental sustainability and human rights-based approaches.

³⁶ International Programme on the Elimination of Child Labour (IPEC).

Example 16. The Mkukuta in Tanzania: Empowering people for job growth

Tanzania's development framework, the Mkukuta, is a national strategy for growth and reduction of poverty. It is organized around three mutually supportive clusters: growth and reduction of income poverty, improved quality of life and social well-being, and governance and accountability. In 1991-92 some 39% of households were living below the basic needs poverty line; by 2007 this had fallen to 33.6%, but the MDG is to reduce this to 19% by 2015. Nonetheless, during the period 2008-09 the Government exceeded its goal of creating one million jobs outside the agriculture sector by 2010. By end December 2008 a total of 1,271,923 new jobs had been created in various sectors: central government – 85,571; government institutions – 965 and mainly the private sector – 1,185,387. The Mkukuta followed a strategy of empowering people and assisting marginalized groups to access loans through tools such as the Empowerment Fund. The Fund was set up to support small and medium entrepreneurs by providing collateral for banks and other financial institutions. An Employment Services Agency was also set up in 2008 with the aim of better managing labour market demand by linking unemployed people with potential employers. Nevertheless, while more jobs are being created, the labour market still faces decent work deficits as evidenced by a high working poverty rate of 30.7% (HBS, 2007).

See: <http://www.povertymonitoring.go.tz/>

Lesson 6. South-South cooperation offers a practical framework and a flexible modality for partnership building and collaboration towards the MDGs. It has proven a key factor for the advancement of the Decent Work Agenda and combating the global economic crisis: developing countries may soften the impact on their economies by increasing cooperation with other nations of the South.

Example 17. South-South cooperation for employment and decent work

South-South cooperation initiatives for employment and decent work have promoted knowledge sharing and research on child labour and youth employment, education, health, social protection, conditional cash transfers and vocational training. Brazil has undertaken South-South cooperation in order to share good practices and models for the promotion of social protection and combating child labour in countries in Africa (Mozambique and Angola), Asia (East Timor) and Latin America and the Caribbean (Haiti, Bolivia, Paraguay, and Ecuador). In addition, India, Brazil and South Africa have gone beyond trilateral cooperation, expanding support to the MDGs through the Facility for Poverty and Hunger Alleviation in projects related to infrastructure, capacity development, agriculture, water and waste management. Initiatives are under way in Guinea Bissau, Cape Verde, Haiti, occupied Palestinian territory and Burundi.

See: <http://tcdc.undp.org/>

Lesson 7. Greater use should be made of the knowledge and data acquired over years of experience in a wide range of fields.³⁷ This applies in particular to the rapid response measures taken by governments, employers and workers to address the social impact of the financial and economic crisis. Those measures are estimated in 2009 to have created or saved between 7 and 11 million jobs (between 29 and 43 per cent of total unemployment) in the G20 countries alone. Crises also offer significant opportunities to identify and promote technological innovation, fresh investment, entrepreneurship and quality job creation to ensure sustainable recovery. This applies in particular to efforts to address the climate change crisis.

67. Efforts by governments to address the social impact of the world financial and economic crisis have placed major emphasis on employment. The measures taken to stimulate employment generation include: (i) investing public resources for infrastructure of all types; (ii) providing additional support through credit facilities, tax reductions and technical guidance to small enterprises in particular; (iii) granting subsidies and reductions in social security contributions to enterprises to lower the cost of retaining workers in jobs and facilitating new hires; (iv) retaining workers in jobs through working time reductions, partial unemployment benefits, labour cost reductions and training schemes.
68. At the same time, they have provided income support to workers and families through: (i) the extension of unemployment benefits; (ii) the extension of and adjustments in health benefits and old-age retirement benefits; (iii) the expansion of cash transfer programmes and social assistance programmes. They have supported the unemployed and jobseekers: (i) by strengthening public employment services; (ii) by expanding training programmes and facilities. They have also stimulated social dialogue and consultations with business and labour on measures to counter the crisis through: (i) national and sectoral negotiations between business and labour and with governments; (ii) national and sectoral agreements between business, labour and with governments; (iii) enterprise consultations and agreements.³⁸

³⁷ *Protecting People, Promoting Jobs: From crisis response to recovery and sustainable growth*, ILO; September 2009.

³⁸ G20, Leaders' Statement, Pittsburgh Summit, September 2009.

Example 18. Decent work: addressing the crisis in Chile

From 1990 to 2006, the Chilean economy averaged 5.5% annual growth; poverty fell from 38.6% to 13.7% and extreme poverty from 13.0% to 3.2%. This progress was assisted by a comprehensive Social Security Reform. From 1990 to 2006, per capita social spending almost doubled (from US\$ 365 to US\$709, in 2000 US\$ dollars).

In 2008, the Government put in place a decent work programme to guarantee progress towards achieving decent work for all. At the onset of the crisis the Government worked with civil society and labour, signing a tripartite agreement in early 2009 focused on protecting employment and guaranteeing transfers to the most vulnerable. Chile has weathered the crisis well and the economic and social costs have been limited, primarily because of the existence of flexible and well-developed social protection programmes and a commitment to preserving employment, guaranteeing rights and ensuring dialogue. However, there is evidence that the loss of employment, as well as the reduction in hours and wages, has not been gender or age neutral. Employment rates have fallen disproportionately more for men (particularly for young men) than for women. Yet the adjustment in hours has been harsher for women who have seen their total hours and remuneration fall more than male workers.

Lesson 8. A sound system to monitor progress is key to ensuring the transparency and sustainability of development initiatives. Assessing the effectiveness and efficiency of monitoring and evaluation systems requires adequate resources and expertise on account of the scope of the exercise in terms of design, stakeholder composition, implementation modality, incentives for reporting, and the use of data and analytical reports.

Example 19. Monitoring progress towards decent work: Pilot Decent Work Country Profiles for Austria, Brazil, Tanzania and Ukraine

Evaluating progress made in achieving full employment and decent work at the national level is instrumental for monitoring progress towards the achievement of the MDGs. With the active participation of experts nominated by governments, workers and employers, Member States have adopted a set of qualitative and quantitative indicators that take full account of the multidimensional nature of decent work. Austria, Brazil, Tanzania and Ukraine volunteered to test this new framework through the preparation of Decent Work Country Profiles on the basis of the new indicator set to measure their progress towards this goal. The country profiles serve as a baseline for assessment of progress over time and guide policy choices for realizing decent work for all. In the pilot countries, representatives of Government, Workers' and Employers' associations and experts from national statistical offices and academic partners were actively involved in the process. The diversity of pilot countries allows assessing the meaningfulness and feasibility of the measurement concept in different settings. A comprehensive set of Decent Work Country Profiles is expected to be available by 2015.

Further information: <http://www.ilo.org/integration/themes/mdw/lang--en/index.htm>

Lesson 9. Skills are key to the growth of both employment and productivity. Capacity building activities should hence be designed to be flexible and wide-reaching in order to maximize the chances of successful targeting. Participatory approaches promote effective delivery and greater responsiveness to the needs of beneficiaries and greater ownership by the latter.

Lesson 10. Public investment and procurement policies should be linked to the objectives of creating decent work and encourage the private sector to maintain and improve their levels of investment while promoting corporate social responsibility.

69. In conclusion, the factors underlying the success stories tend to include a set of core elements that combine the right policies, which create an enabling environment, right planning, and right actions backed by broad participatory approaches, adequate funding, national expertise and political commitment. Other factors for success are the visionary ability to focus on measures that can be implemented immediately and make quick advances on poverty, and effective monitoring and evaluation mechanisms.

IV. CRITICAL GAPS

70. This chapter outlines some key factors that are hindering progress on the decent work-related targets of MDG 1, which have been exacerbated by the global financial and economic crisis.

1. ENVIRONMENTAL GAPS

71. The environmental degradation of recent years, the irreversible loss of biodiversity, and the deterioration and exhaustion of natural resources such as fertile agricultural land and fish, constitute another critical gap affecting the achievement of the MDGs, including MDG 1. Over the period 2000-

2004 some 262 million people were affected each year by climate-related disasters, and 1.8 billion are expected to suffer from fresh water scarcity by 2025, mostly in Asia and Africa. Some 50 million people may be forced to become environmental refugees, and the alarming loss of biodiversity will affect the incomes of poor people, especially those living in areas of low agricultural productivity who depend heavily on the genetic diversity of the environment.³⁹ Providing opportunities for women and men to obtain decent work in a low-carbon environment is key to sustainably reducing poverty and sharing the benefits of economic growth.

2. POLICY AND CROSS-CUTTING GAPS

72. In many countries policy gaps constitute a significant obstacle to the attainment of the MDGs. Preliminary evidence indicates that rises in unemployment, under-employment and informality have been less marked in those regions and countries where securing employment and ensuring adequate social protection have been central pillars of the policy response to the crisis. In countries where policymakers have mainstreamed decent work in national development and poverty reduction strategies, their economies have better responded to the impact of crises and mitigated their effects.
73. By contrast, the lack of employment generation goals in national development strategies in some countries remains a major cause of concern regarding the achievement of the employment-related MDGs. The neglect of policies that tackle youth employment, migrant workers, rural workers, and micro, small and medium enterprises has had negative effects. Similarly, addressing one or more of these issues within individual sectors, with strategies that have at best weak linkages between sectors and within a consolidated framework, is harmful. Gender biases in public investment and social and economic policies are damaging to the broader economy, and gender equality and non-discrimination must be addressed as cross-cutting issues. Changes in the size, age structure and location of the population also have far-reaching implications for labour markets and profound effects on economic development.
74. The urban and rural gaps need to be addressed with urgency in order to create sound employment policies that contribute to Target 1.B. In many poor countries rapid rural-to-urban migration is occurring as people seek jobs. Most of the urban population, however, operates in the informal economy, without security of tenure and without formal employment. In addition, significant inequalities within cities make infrastructure deficiencies very obvious: roads, electricity, water, and sanitation are poor or unavailable.
75. Rural areas are home to some 75 per cent of the world's poor and cumulate a host of decent work deficits: from higher rates of un- and underemployment, especially among youth and women, limited social protection, 70 per cent of the working children operating in agriculture, and wage workers being mostly temporary or casual. In these areas, women and girls bear much of the brunt of poverty, performing heavy labour in farming and collecting fuel wood and water. Children are "economic assets" on the farm, and many of them do not attend school because they are at home performing household work increasing vulnerability to exploitation as child labour.

3. INSTITUTIONAL GAPS

76. A critical gap that hinders advancement towards Target 1.B is the poor capacity of institutions to deliver resources efficiently and implement policies effectively. The implementation challenge lies in the need to reach large parts of the population and to have a measurable impact on national outcomes. Weak institutions are unable to successfully scale up programmes, to inform or train people, to provide them with skills or education, to generate employment opportunities, to increase gender awareness, or provide health-related information and services. A further need is to improve coordination between the activities of institutions addressing different policy areas, in particular ministries of labour, finance, and economy. This applies especially to labour market policy and employment generation, which also concern other line ministries. Effective employment-focused development strategies require the effective involvement of a wider range of institutions.
77. The strengthening of human capital needs to be accompanied by an expansion in service delivery. Through transparent accountability mechanisms civil servants at all levels should have an incentive to perform satisfactorily. Public sector management and administration, infrastructure, and human resources are all key to incorporating decent work indicators into labour and wider national policies.

³⁹ Source: UNEP, ILO, IOE, ITUC: *Green jobs: towards decent work in a sustainable, low-carbon world*, Worldwatch Institute, Washington DC, September 2008.

The recognition of bottlenecks helps determine areas where quick wins can be attained and where accelerated progress can be made. A well-founded strategy that takes these issues into consideration is critical for generating reforms and making the necessary investments to bridge the knowledge and capacity gap and meet the goals by 2015.

78. Public sector governance cannot therefore be overlooked. The situation of public managers and civil service workers in many low-income countries has deteriorated over the past 20 years as a result of the prolonged under-financing of the public sector. Poor information systems, rigid civil service procedures, and inadequate budgets produce management bottlenecks in many poor countries, which are exacerbated by the shortage of managers in most line ministries, especially at the district and community levels. Labour ministries and employment-related services suffer from similar weak arrangements and institutional deficiencies.
79. Poor governance stalls economic development, resulting in failure to pursue sound economic policies, inappropriate public investment, widespread corruption, and mismanagement in public administration. Accountable and efficient public administration requires transparency, and administrators who are qualified, motivated, and adequately paid.
80. It is crucial to provide support for national decision-making processes and to help fill the institutional gap with high quality technical assistance, including support from the social partners and civil society organizations. Building the capacity of employers' organizations, trade unions and local NGOs, while developing more efficient procedures for channelling funds to them, helps guarantee accountability and an increase in the outreach of employment and decent work policies for sustainable economic growth. Bridging this gap brings important actors to the fore and promotes effective governance, relevant public investment, and decisions that best address the people's needs. The social partners and civil society should participate in the design, implementation and upscaling of sound government policies through appropriate dialogue.
81. These intricate but necessary processes will be extremely challenging for the poorest countries with limited human resources, and international partners will in many cases need to provide significant and consistent technical support in order to help close the gap resulting from weak institutions, especially relating to the generation of employment and implementation of decent work policies.

4. KNOWLEDGE AND CAPACITY GAP

82. The five-year delay in including Target 1.B under MDG-1 deprived the MDG exercise of a key index of social development. Work on the new MDG Employment indicators is still at the stage of awareness raising and internalization in most countries, but some promising examples have been provided by their rapid use in a number of countries.
83. The lack of capacity to understand and make use of the full set of new employment indicators under Target 1.B is a major obstacle: there is a need for increased awareness and knowledge of the ways in which the employment dimension should be strengthened and decent work promoted in general. For example, even though the proportion of the working-age population that is employed is a good indicator of the ability of an economy to generate jobs (indicator 1.5: employment-to-population ratio) – ranging from 55 to 75 per cent in most countries – these high percentages may only mean that people are engaged in subsistence work, regardless of the quality of their jobs, leading inevitably to lower productivity (indicator 1.4).⁴⁰ Half the world's workforce have unstable, insecure jobs, and the number of working poor will only be reduced with increases in productivity.
84. When the majority of the labour force lives in extreme poverty (indicator 1.6) and is mostly engaged in vulnerable employment (indicator 1.7), rigorous labour market analysis is needed to bring to light the underlying causes and determine how best to increase productive job-rich employment within specific country contexts. There is no one-size-fits-all solution.
85. The link between growth rates and poverty reduction is strongest when productivity growth and employment growth go hand in hand. Productivity increases often influence the social and economic environment positively, in turn leading to poverty reduction through investment, trade, technological progress and increases in social protection. Increases in productivity do not guarantee improvements in these areas, but it is certain that without productivity growth, improvements in conditions of work are less likely to occur.

⁴⁰ MDG Report, 2009. This is the case in sub-Saharan Africa, which has the second highest adult employment-to-population ratio of all regions (about 74 per cent), but the lowest levels of labour productivity.

86. Labour productivity can be used to measure the likelihood that a country can create and sustain decent employment opportunities offering fair and equitable remuneration. With only limited increases in productivity, an economy generally sees little increase in wages, and there is no additional potential to create new jobs. It is also important that productivity growth be accompanied by improvements in education and training so that the future workforce is better prepared to perform the jobs needed.
87. The inability to provide adequate social protection is a key issue to be addressed in so far as jobs are unable to provide adequate security. People in vulnerable employment can descend abruptly into poverty due to the lack of safety nets that compensate for income losses during economic hardship. Even though the proportion of the global workforce that earns a living from vulnerable employment decreased slowly, from 53 per cent in 1997 to 50 per cent in 2007, there are still almost 1.5 billion workers in unstable and insecure jobs. However, the measurement of vulnerable employment⁴¹ excludes employees, and the situation could hence be even worse if they were included in the figures. Over 80 per cent of the female labour force in Oceania, sub-Saharan Africa and Southern Asia were engaged in vulnerable employment in 2008.
88. Member States should not only be able to understand these realities, but should also have the capacity to formulate programmes addressing the gaps identified by the new employment indicators in their national policies. While ensuring proper implementation, emphasis should be laid on the building and strengthening of human capital in order to avoid such issues as brain drain and the shortage of public servants, particularly in key areas such as health and education.
89. Failure to take account of the close and important linkages between demographic change affecting population size, age structure and location, on the one hand, and poverty, food security and environmental integrity, on the other, can also result in inappropriate employment and development policies.

5. STATISTICAL AND ANALYTICAL DEFICITS

90. Despite progress in many countries, there is still a huge gap in the information needed to measure welfare in general, and poverty in particular. Especially in low income countries, household surveys are not conducted regularly. In many cases they are many years apart, without sufficient attention to comparability over time. This crisis have shown that in many cases, it will never be known what exactly happened in many low-income countries due to the lack of frequent data or even recent household surveys. A huge effort is needed by both countries and the development community in this area.
91. The need for accurate and detailed data on employment trends is even more urgent in the current economic crisis. Detailed data and information regularly produced on employment, rights, social protection and social dialogue, especially on the poorest segments of the population and disaggregated by sex, are central to decent work-led policy development and monitoring. Data on women's time use and their investment in unpaid care work is particularly essential to inform policy making.
92. The poor quality of data on employment and labour markets in developing countries, essential for informed public debate and policy formulation, is a serious problem: of 181 countries worldwide, only 65 produce monthly or quarterly labour force surveys, whereas 116 countries produce only annual surveys, and some only irregularly. Resourcing and capacity building for statistical agencies in developing countries would do much to improve evidence-based policy making.
93. Labour market information and analysis must be viewed as the cornerstone for developing integrated strategies to promote standards and fundamental principles and rights at work, productive employment, social protection and dialogue. At the same time, it is even more important to improve the methodology used to measure these indicators. Reducing the decent work deficit offers a sustainable path to poverty reduction and to improving equity in the global economy.
94. The capacity gap in the generation and analysis of data raises obstacles for international comparisons. Data are typically drawn from official statistics provided by governments through periodic data collection by ministries and national statistical offices.
95. Work to improve the availability of data, the coordination of national statistical systems and the mechanisms for reporting is beginning to yield results. The Inter-Agency Expert Group has promoted

⁴¹ Own-account and contributing family workers.

dialogue to improve the coherence of data and to ensure the quality and transparency of methodologies.

6. THE FUNDING GAP

96. Official development assistance for poor countries is a necessary condition for progress towards the MDGs. When funding is inadequate or unsustainable, due to a lack of ODA, the process of implementation and monitoring practical strategies towards the MDGs falters. Reliable and predictable funding is essential for sustainable development.
97. As agreed at the 2005 World Summit, donors need to meet their aid commitments to finance MDG-based strategies and provide timelines for aid increases so that countries can plan their budgets and macroeconomic frameworks accordingly. Despite the commitment to double aid to Africa by 2010, actual ODA to the continent, excluding debt relief and humanitarian aid, has barely increased since 2004. No country in sub-Saharan Africa has received the promised resources to implement a national development strategy to achieve the Goals. In addition, aid remains too project-driven and unpredictable for countries to effectively plan scaling-up activities.
98. Infrastructure, for example, a highly labour-intensive area, has been funded by donors contingent on capacity building and institutional reform. Allowing reforms and investment to take place simultaneously can help address the tension between the desire to have reforms in place before making investments and meeting the Goals by 2015. It can also help ensure that needed capacity building and reforms are grounded in reality.
99. An important source of funding that could help breach the funding gap for the attainment of MDG 1 lies in public and private investment, accompanied by better harmonization of the roles of the public and private sectors. The complementary role of the two is further strengthened by the mix of shared responsibilities in terms of human capital, infrastructure, science and technology, and environmental sustainability. Public and private investment should be complementary.

V. KEY RECOMMENDATIONS

100. ***Achieving full employment and decent work*** for all is a major challenge that requires not only a renewed commitment from both poor and developed countries, but also persistent efforts centred on quality jobs, sustainable enterprises, efficient public services, and social protection, while safeguarding rights and promoting voice and participation. The 2010 review of the MDGs is taking place in a changed context characterized by three main factors: (i) the unanimous and unprecedented political will to accord central importance to decent work in poverty reduction efforts; (ii) a crisis of major dimensions following years-long poverty crises and deep income inequalities in most countries; (iii) renewed determination to shift towards a low-carbon world economy. This new situation has far reaching consequences for the achievement of the decent work targets.
101. The global financial and economic crisis has focused attention on the ***need for a new, discernible and unambiguous determination to reorient growth towards the creation of jobs***, as expressed in the Global Jobs Pact,⁴² adopted by the government, employers' and workers' delegates of the ILO's 183 Member States. The Pact proposes a range of tested crisis-response and recovery measures that focus on employment and social protection. It is not a one-size-fits-all solution, but a portfolio of tried and tested policy options that countries can adapt to their specific needs and situation.

⁴² Recovering from the crisis: A Global Jobs Pact, ILO, 2009. [Link](#).

The Global Jobs Pact: Key action needed to support developing countries

- Give much greater priority to the generation of decent work opportunities with systematic, well-resourced, multidimensional programmes to realize decent work and development in the least developed countries.
- Promote the creation of employment and create new decent work opportunities through the promotion and development of sustainable enterprises.
- Provide vocational and technical training and entrepreneurial skills development, especially for unemployed youth.
- Address informality to achieve the transition to formal employment.
- Recognize the value of agriculture in developing economies and the need for rural infrastructure, industry and employment.
- Enhance economic diversity by building capacity for value-added production and services to stimulate both domestic and external demand.
- Encourage the international community, including international financial institutions, to make available resources for counter-cyclical action in countries facing fiscal and policy constraints.
- Keep commitments to increased aid to prevent a serious setback in efforts to attain the MDGs.
- Urge the international community to provide development assistance, including budgetary support, to build up a basic social protection floor on a national basis.
- Integrate gender concerns in all measures addressed in recovery packages.

102. Close attention should be given to the recommendations contained in the Pact. It is a framework for action and a roadmap for the design of policies that can shorten the time lag between economic recovery and employment recovery. To achieve its objectives, the Pact recommends close collaboration between the ILO, the United Nations and other international organizations with a view to improving policy coherence and international coordination. The Pact is intended as a reference tool for all United Nations agencies, the International Monetary Fund, the World Bank, the World Trade Organization and other international organizations, which have endorsed it in the framework of the UN-CEB Joint Crisis Initiatives.⁴³
103. ***The timid signs of global recovery on the financial side should not discourage efforts towards jobs-led recovery.*** Previous crises have shown that there is generally a time-lag of three to six years between financial recovery and the recovery of employment to pre-crisis levels. However, in most countries the reattainment of previous employment levels will not be sufficient to strengthen economies so as to achieve decent work for women and men. The scale of the global jobs deficit calls for a dynamic response commensurate with that given to the global collapse of financial markets. Future prospects, notably in the area of building greener economies, point to the huge potential for employment creation with a direct impact on poverty reduction. The challenge of building a green economy supported by green decent jobs should be taken up while countries are battling against the crisis, not when it is over.
104. ***Decent work is a powerful means to reduce poverty and prevent exclusion,*** and the Global Jobs Pact offers room for its realization at this critical moment of multiple crises. The examples reported above show that extreme poverty can be defeated. Successful programmes should be more widely replicated and scaled up to cover larger parts of the population. In discussions on recovery packages, both regarding their design and assessing their success, women must have an equal voice with men.

USEFUL ADDITIONAL LINKS

- Revised ILO proposal for the measurement of decent work
http://www.ilo.org/integration/resources/mtgdocs/lang--en/docName--WCMS_100995/index.htm
- Recovering from the crisis: A Global Jobs Pact
http://www.ilo.org/wcmsp5/groups/public/@ed_norm/@relconf/documents/meetingdocument/wcms_108456.pdf

⁴³ These cover additional financing for the most vulnerable; food security; trade; the Green Economy Initiative; the Global Jobs Pact; a social protection floor; humanitarian, security and social stability; and monitoring and analysis.

C. HUNGER AND UNDERNUTRITION REDUCTION

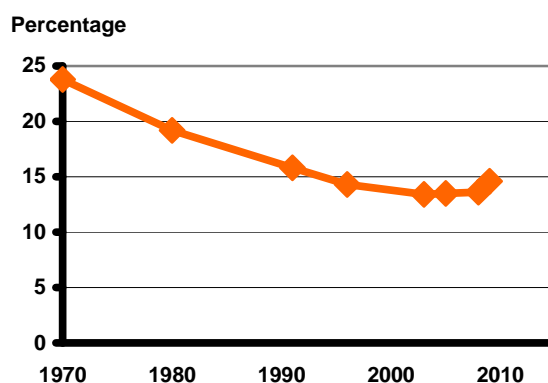
Target 1.C Halve, between 1990 and 2015, the proportion of people who suffer from hunger

I. TRENDS

1. MAGNITUDE OF AND TRENDS IN HUNGER AND UNDERNUTRITION

105. The hunger target of MDG 1 – “reduce by half the proportion of people who suffer from hunger”⁴⁴ - is among the worst performing MDG targets due to significant backsliding in recent years. Hunger in the world, as measured by the proportion of population below minimum level of dietary energy consumption (MDG indicator 1.9), decreased steadily for three decades before 2000, in spite of relatively rapid population growth. In 2003, however, it started to increase again, as shown in Figure 4.
106. This new unfavourable trend needs to be reversed, but in recent years high food prices combined with global financial and economic crises, have had the opposite effect. Food prices have increased since around 2000, but started to soar in 2006. The global financial and economic crisis erupted on the heels of high food prices, which had depleted coping capacities both at household and country levels. Although international food prices declined in the second half of 2008, food prices remained historically high in many countries. These two crises compromised access to food from both the price side and the income side. As a consequence preliminary estimates suggest that the proportion of the global population below the minimum level of dietary energy consumption may have actually increased from 13 per cent in 2004-06 to 15 per cent in 2009. The food crisis increased the number of undernourished people to 63 million. The number of undernourished people has increased since 1995-97, and reached more than 1 billion people in 2009. With such deficits in energy adequacy, it is very likely that the quality of foods consumed also deteriorated, potentially leading to irreversible consequences. At least 2 billion people suffered from micronutrient deficiencies, even before the crises.

Figure 4. Share of population below minimum level of dietary energy consumption in the world (MDG indicator 1.9)



Source: FAO, Rome, 2009: *The State of Food Insecurity in the World*.

107. Despite the reversal in global trends, at the regional and national level there are some encouraging signs. Between the baseline period of 1990-92 and 2004-06, the latest period for which monitoring data for MDG 1 indicators are available, 24 out of 103 developing countries⁴⁵ managed to maintain the proportion of undernourished in their population at a very low level (less than 5 per cent). Eleven have already reached the target of halving the proportion of undernourished by 2015 and 45 more are on track to do so. In 23 countries, the situation has worsened or made no progress. Most of these are in Africa.

⁴⁴ Hunger is a physical sensation that results from undernutrition (inadequate consumption of dietary energy). Undernutrition is one form of malnutrition. Others are overnutrition (excessive consumption of dietary energy) and micro-nutrient deficiency (inadequacy or imbalance in the consumption of micro-nutrients).

⁴⁵ The group of developing countries is based on United Nations geographical divisions with some modifications necessary for meaningful analysis. Countries in Asia from the Commonwealth of Independent States are included in this group.

108. The other indicator to measure hunger in the world is prevalence of underweight children under five years of age (MDG indicator 1.8). Underweight in children in developing countries declined from 31 per cent around 1990 to 26 per cent around 2008. In Asia it declined from 37 to 31 per cent and in Africa from 28 to 25 per cent, as depicted in Figure 5. Nevertheless, the prevalence is still alarmingly high. Among children under five years of age, as of 2008, nearly one in four children in the developing world was underweight, that is, nearly 129 million children, and one in ten, or more than 50 million children, was severely underweight.

Figure 5. Decline of underweight prevalence in children under five years old (MDG indicator 1.8)

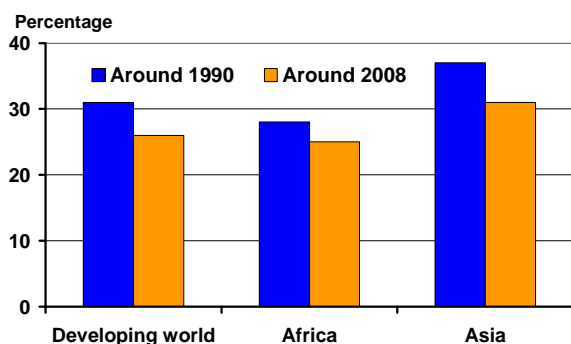
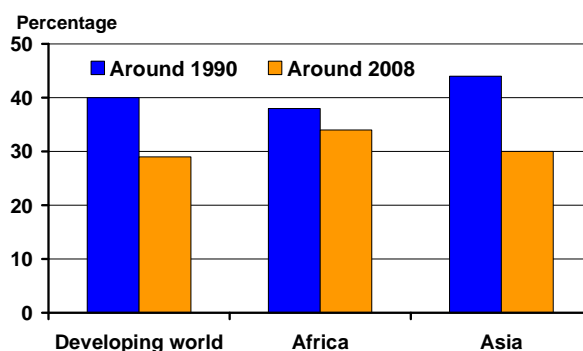


Figure 6. Decline of stunting prevalence in children under five years old



Source: UNICEF, 2009: *Tracking progress on child and maternal nutrition: A survival and development priority*, New York.

109. Underweight in young children is present when a child's weight is low for its age. Whereas underweight is usually a sign of insufficient dietary energy consumption, it may also be the short-term consequence of illness. Another indicator that measures the long-term effects of dietary inadequacy is stunting. A child is classified as stunted when its height is low for its age. In 2008, around 195 million children under age five in developing countries were classified as stunted (more than 90 per cent of them in Asia and Africa). There have been concerns with using only child underweight as an MDG indicator. Countries may have low underweight prevalence, or may have already halved prevalence rates since the early 1990s, but have very high stunting rates and micronutrient deficiencies.

110. As shown in Figure 5, the decline in weight deficit in children has been matched by a reduction in stunting among young children, from 40 per cent in 1990 to 29 per cent in 2008. In Asia and Africa prevalence of stunting declined from 44 to 30 per cent and in Africa from 38 to 34 per cent, but the situation is still far from satisfactory.

111. In 2008, 63 developing countries (out of 117 with available data) were on track to halve the prevalence of underweight among children under five by 2015. However in 34 countries progress is insufficient and 20 have made no progress towards achieving this MDG target, most of them in Africa.

112. Behind these national figures are, however, often large inequalities, for example, among income levels and regions. In many countries, prevalence of underweight among the lowest quintiles is twice the level of the richest. On the other hand, differences of nutritional indicators between boys and girls are negligible at the global level (with girls being slightly disadvantaged in South Asia and boys in Africa).

2. FOOD AND NUTRITION INSECURITY - A CONSEQUENCE OF STRUCTURAL INEQUITIES IN THE GLOBAL ECONOMY

113. Balancing global food availability with global food needs is a necessary but not sufficient condition for achieving food and nutrition security. The right to food is the recognised human right of all people, at all times and in all places, to adequate food and the fundamental right to be free from hunger. The right to food aims to empower everyone to be able to secure food for themselves and for their family and requires States to make food affordable to everyone so that they can obtain food adequate for their nutritional needs by themselves in a sustainable manner without compromising other basic needs. The right to food also requires prohibition of discrimination in access to food, as well as to means and entitlements for its procurement. Therefore, the target for proactive food and nutrition interventions must be those people who do not currently enjoy this basic human right.

114. Even before the recent food, financial and economic crises, however, policies that paid scant attention to the human dimension of the development process had created structural food and nutritional insecurity in the world. In many developing countries, policies addressing inequality in access to food are either lacking

entirely or are only implemented if external partners provide the funds needed to finance food and nutrition assistance for vulnerable individuals, which include young children, pregnant and lactating women, women of reproductive age, elderly persons and persons suffering from ill health or diagnosed as HIV-positive. These structural imbalances have been further aggravated by the recent food, financial and economic crises.

115. While developing countries have been hit by many crises in the past, the current economic turmoil is different in at least three aspects. First, the crisis is affecting large parts of the world simultaneously. Second, the current economic crisis emerged immediately following the food and fuel crisis of 2006–08. While food commodity prices in world markets declined substantially in the wake of the financial crisis, they remained high by recent historical standards. Third, developing countries have been more integrated into the world economy than they were 20 years ago, so that their domestic markets are quicker to reflect changes in global market conditions.
116. World population has increased from 5.3 billion in 1990 to 6.9 billion in 2010, and is expected to increase to 9.1 billion in 2050⁴⁶. Moreover, almost all countries have aged due to higher life expectancies. Both demographic changes call for more food available and accessible to meet the needs of a larger and older world population. Agricultural output will have to increase by 70 percent between now and 2050.
117. To begin to right structural imbalances the World Food Summit: *five years later* introduced a comprehensive approach in 2001 that called for acting to address immediate food and nutrition needs whilst simultaneously promoting longer-term development processes, targeting the poor, and reaffirmed the right to food. This comprehensive approach was reaffirmed by the UN High-Level Task Force on the Global Food Security Crisis (HLTF) established in April 2008. The HLTF developed a Comprehensive Framework for Action (CFA) that provides a road map in terms of the actions required to address the immediate effects of the crisis and build a solid foundation for sustained and equitable growth of the food and agriculture sector in years to come. It called for concerted action to tackle the underlying structural causes of hunger and recognised the importance of taking steps towards the progressive realization of the right to food. The CFA represents a global commitment to a balanced approach in programming future food security investments – ensuring greater food and nutrition security for those who are currently vulnerable, without ignoring the pressing imperative to invest now in agricultural and rural development in ways that create more diverse and better livelihood opportunities for those who are currently poor and make it possible for fewer farmers to meet future food needs by growing more from less agricultural land.

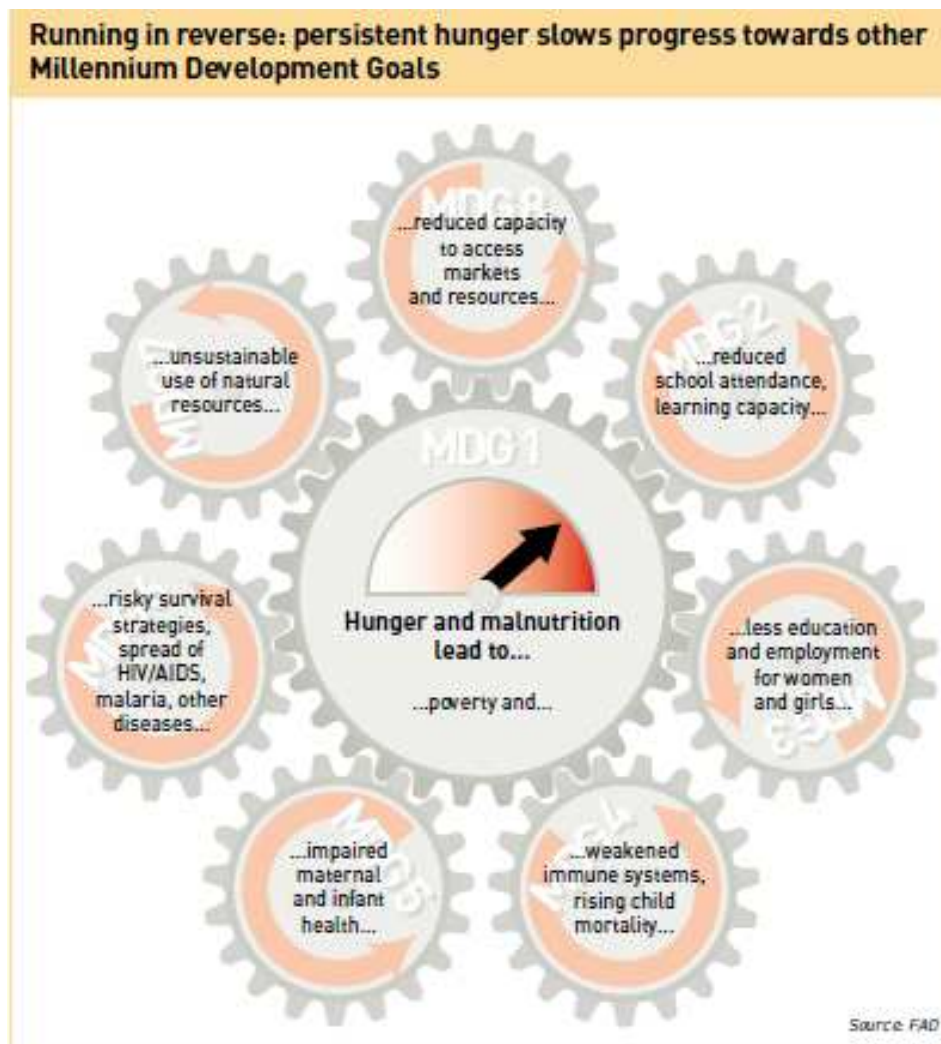
3. UNDERNUTRITION AS A CONTRIBUTING CAUSE OF DEPRIVATIONS TARGETED BY OTHER MDGs

118. The first Millennium Development Goal calls for the eradication of extreme poverty and hunger at global level, and its achievement depends crucially on national actions. Failing to tackle hunger and undernutrition jeopardizes the achievement of other MDGs, including goals to half poverty (MDG1), achieve universal primary education (MDG 2), promote gender equality (MDG 3), reduce child mortality (MDG 4) and improve health (MDG 5 and 6) (see Figure 6).
119. Undernutrition is an underlying cause of the deprivations targeted by nearly all of the other MDGs. Inadequate dietary energy consumption and undernutrition jeopardize development of human capital, lowering the productivity of able-bodied adults and limiting their opportunities for employment, causing poverty (MDG 1). Hungry children start school later, drop out sooner and learn less while attending, stalling progress towards universal primary and secondary education (MDG 2). Poor nutrition for women is one of the damaging outcomes of gender inequality. It undermines women's health, limits their opportunities for education and employment and impedes progress towards gender equality and empowerment (MDG 3). As the underlying cause of about a third of child deaths, undernutrition is an obstacle to reducing child mortality (MDG 4). Hunger increases the incidence of conditions that cause maternal deaths during pregnancy and childbirth, resulting in a higher fatality rate (MDG 5). Hunger and poverty compromise people's immune systems, force them to adopt risky survival strategies, and increase the risk of infection and death from HIV/AIDS, TB and malaria (MDG 6). Under the burden of chronic poverty and hunger, livestock herders, subsistence farmers, forest dwellers and fisher folk may use their natural environment in unsustainable ways, leading to further deterioration of their livelihood conditions. Empowering the poor and hungry as custodians of land, waters, forests and biodiversity can advance food security and environmental sustainability (MDG 7).
120. The recent food and economic crises have threatened to increase poverty and hunger of large segments of the population in developing countries. Those hurt most by higher food prices have been poor households

⁴⁶ United Nations. 2008 *UN Population Revision*.

and individuals in both urban and rural areas that typically spend a high proportion of their cash income on food. The condition of many such vulnerable people is particularly precarious because they have approached, or in many cases reached, the limit of their ability to cope during a food crisis. Failure to address their immediate food needs risks plunging them yet deeper into the vicious cycle of poverty and hunger, with negative repercussions on efforts to reach all MDG targets.

Figure 7. Linkage between MDG 1 and other MDGs



II. SUCCESSFUL COUNTRY EXPERIENCES IN REDUCING HUNGER AND UNDERNUTRITION: EVIDENCE, FACTORS AND LESSONS

1. SUCCESS FACTORS

121. According to a recent FAO study,⁴⁷ many countries that have successfully reduced hunger over the past decade and a half share the following four characteristics, irrespective of their geographical location, size or level of development: equitable economic growth, outreach to the most vulnerable, safety nets and disaster risk reduction and investing in sustainability. These characteristics have been successful as long as they were followed in an integrated fashion. For instance, economic growth alone in isolation from the three aspects does not necessarily ensure adequate food and nutrition security. This is illustrated by four country cases (Armenia, Brazil, Nigeria and Viet Nam).

⁴⁷ FAO. 2009. *Pathways to Success*. Rome.

(a) Enabling environment for equitable economic growth and human well-being

122. Basic factors that assist in creating an enabling environment for equitable economic growth share some common features, but may also vary from one country to another. Economic growth is a necessary condition for a sustainable reduction in hunger, but not sufficient.

Example 20. Enabling environment for economic growth and human wellbeing

During the 15-year period between 1990-92 and 2004-06, *Armenia* succeeded in creating a strong enabling environment for private sector enterprise by liberalising markets, reforming its agricultural sector and reaching out proactively to its small farmers to facilitate their transition to market-oriented operations. The economy of *Brazil* has not been particularly stable in the past. In recent years, however, its size and strength, combined with increased macroeconomic stability, has allowed it to become increasingly competitive in world markets. This strong economic performance has in turn provided the basis for financing programmes aimed at achieving greater equality. In 2001, the Government of *Nigeria* introduced macroeconomic reforms involving de-regulation and privatization in many sectors and began a major drive to develop agriculture within the framework of a National Special Programme for Food Security (NSPFS), which it launched that same year. The economy of *Viet Nam* has made rapid progress since adoption of the open economy principle in 1986. The strong macroeconomic performance has been made possible by domestic reforms that dismantled controls on economic activity and strengthened the investment climate, and by increasing integration into the world economy, allowing agricultural exports to become an important driver of growth. Investments in rural infrastructure have helped spread the benefits of trade openness and economic growth throughout the country.

(b) Outreach to the most vulnerable and investment in the rural poor

123. Investment and assistance, including through social protection programmes, should focus on the poorest and most vulnerable segments of the population, including women. Interventions should ensure access to health services and food and nutrition assistance programmes, food price stabilisation measures, unemployment schemes and pension plans and protect people's human rights. In addition, targeted investments in rural development help vulnerable people get out of poverty and food insecurity, including through extension services, investment in rural infrastructure and developing human capital that benefit women, who in many developing countries make up the majority of smallholder farmers and the main food producers.

Example 21. Outreach to the most vulnerable and investment in the rural poor

Armenia was greatly helped by a multidimensional Food Security Programme (FSP) funded by the European Union. In keeping with the comprehensive approach, the FSP supported the state's social security system, including child protection and childcare services and the Poverty Family Benefit System for families registered as having incomes equivalent to less than US\$1 per capita per day, and it also supported public sector agricultural programmes and services such as animal health, drainage and soil preservation, seed development and forestry. The FSP also had an important impact on the country's land reform, notably by supporting modernization of land tenure processes in rural areas.

Starting in 2003, *Brazil* introduced a Zero Hunger strategy that also followed a comprehensive approach and a human rights framework. Key elements include universal social protection in the form of conditional cash transfers (Bolsa Família), school meals, local food distribution programmes, nutrition education, health and nutrition programmes, minimum wage, land reform and stimulus programmes for poor farmers. The strategy, which is managed by the Special Ministry of Food Security and Hunger Combat through the National Food and Nutritional Security Council, has mobilised local government institutions and civil society. Public sector resources were allocated to finance the strategy. By 2005, the number of undernourished people had been reduced to 12.0 million from 16.6 million in 2001. The share of the undernourished dropped from 10 to 6 per cent over the same period and stunting in the traditionally deprived Northeast region decreased from 22.2 to 5.9 per cent.

Nigeria is pursuing a policy of targeted investment in small farmers as the core of its food security strategy. The NSPFS promoted technologies that enabled small farmers to increase productivity and income significantly by introducing double and triple cropping. It also helped develop rural communities by enhancing access to extension, credit, and marketing services and nutrition and health education. In addition to the gains achieved by small farming households, there has been some improvement in human development, with the prevalence of underweight in children under five dropping from 35 per cent in 1990 to 27 per cent in 2003, and of severe undernutrition from 15 to 8 per cent over the same period. Nevertheless, in 2003, one-quarter of preschool children still showed evidence of undernourishment and stunting.

Viet Nam coupled its open market policies with significant investment in a nationwide social protection system, which provides financing for health care, pensions for retirees and support for the temporarily unemployed. It also implements a number of targeted programmes of direct benefit to poor and vulnerable people, especially in remote and mountainous parts of the country. There is still room for improvements in nutrition, however, in particular to enhance physical growth of children to reduce the persistent prevalence of stunting (around 35 per cent).

(c) Protection of food security gains in times of crisis

124. After shocks and during periods of crises, threatened populations are in need of immediate and well targeted support. This support has to provide the necessary means to avoid hunger outbursts and protect livelihoods and any achieved food security gains. Women tend to be particularly impacted by shocks, for example, because they eat less to buffer the impact on their children. Management of food stocks, food and nutrition assistance programmes, protection of assets and procurement and distribution of agricultural inputs are standard responses to food and agricultural emergencies, including those triggered by natural hazards. In addition, during financial and economic crises, stimulus packages and access to foreign currency reserves help to avoid business failures and prevent economic collapse. Quality of food is essential for child growth and needs to be taken into greater consideration when developing and implementing actions to maintain gains during times of crises. Especially for young children under 2-3- years of age, low quality of food leads to irreversible growth problems. Pregnant and lactating women should therefore be specifically targeted.

Example 22. Protection of food security gains in times of crisis

During the recent economic and financial crises, *Armenia* invested heavily and successfully in a stimulus package that limited economic suffering. *Brazil* allowed its exporters to draw on the country's strong foreign currency reserves to avoid business failures. Moreover, Zero Hunger activities provided a safety net for consumers and family farmers which enabled the country to weather the crisis with relatively less adverse impact than in many other countries. To respond to soaring food prices, *Nigeria* released 65,000 metric tonnes of assorted grains from the National Strategic Food Reserve. In addition, the government procured and distributed fertilizer to ensure that farmers could maintain productivity, despite tightening of agricultural credit markets. *Viet Nam* prepared a stimulus package in December 2008 that combined tax cuts and interest rate assistance to ease firms' financial difficulties, with public sector investments in infrastructure, housing, schools and hospitals to create new jobs and stimulate demand. Though hit hard by the global recession, the government was still able to fund an initial part of this package in 2009.

(d) Investing in sustainability

125. Planning to provide a sustainable development path for the future does not have a direct impact on past performance in reducing hunger, but it is interesting to note that successful countries do tend to incorporate sustainability as an important objective for future public sector investment. Moreover, countries that do not foresee the need to continue investing in order to sustain progress achieved thus far are likely to enjoy only temporary success. For example, with rapid socio-economic development, gains achieved can be threatened if young child care and feeding practices deteriorate. For example, exclusive breast feeding up to 6 months and appropriate complementary feeding after 6 months must be protected, promoted and supported in different ways as the social environment changes.

Example 23. Investing in sustainability

Armenia's plans for the future give priority to upgrading its water infrastructure to reduce leakage, investing in rural development to reduce disparities between the capital and the rural areas, and protecting biodiversity. In *Brazil*, monitoring and evaluating progress constitute a basis for sustainable actions. Issues such as agrarian reform, protecting the Amazon, and developing sustainable sources of bio-energy are high on the agenda. Major challenges to be tackled in *Nigeria* include the poor performance of the energy sector, the functioning of rural financial institutions and the provision of agricultural credit, and the scaling up of pilot programmes to improve and protect child health and nutrition. A "desert-to-food programme" is planned as part of the Green Wall Initiative for preventing encroachment of the Sahara desert onto arable land. For *Viet Nam*, investment in agricultural research and promotion of environmentally-sustainable watershed management and irrigation technologies are priorities. The country will also need to tackle a number of public health challenges, including sharp increases in the prevalence of tuberculosis and HIV/AIDS, and food safety issues in the agro-processing industry.

2. INTERVENTIONS THAT WORK

126. The strongest lesson emerging from the last two decades of implementation experience is that making rapid and sustainable gains in reducing undernutrition and hunger is possible. The range of interventions required has been largely established and agreed upon. Country level progress in achieving MDG targets for reducing hunger and undernutrition requires scaling up interventions based on a comprehensive approach that have been proven to work to the national level, addressing the availability, access, utilization and stability dimensions of food security, focusing on immediate needs and assisting in building sustainability. However, a policy-practice gap exists. The challenge is integrating the delivery of these interventions within locally owned, locally appropriate and effective delivery systems that nevertheless facilitate high levels of coverage.

(a) Nutrition and health-based prevention and treatment approaches

127. Nutrition and health-based approaches include prevention and treatment of diseases that undermine nutritional status and food security, and measures to prevent and treat nutritional deficiencies, especially in children below five years of age and among pregnant and lactating women.
128. ***Prevent and treat diseases that undermine nutritional status.*** Diseases that undermine nutritional status include those such as malaria and respiratory infections that increase the body's nutrition requirement and those gastro-intestinal infections that hinder the body from absorbing and utilising nutrients that have been consumed. The focus of most public health interventions is on preventing and treating acute and chronic diarrhoeal diseases by teaching good hygiene and the proper use of oral re-hydration salts, the proper caring of infants and young children and the provision of vitamin and mineral supplements to the physiologically most vulnerable (young children and pregnant and lactating women). The deficiencies of iodine, iron and Vitamin A are three of the most common and most destructive forms of micronutrient

undernutrition with over two billion suffering from some sort of micronutrient deficiency. The vitamin A deficiency leads to blindness and in addition, children who suffer from vitamin A deficiency also face a dramatically increased risk of illness and death, especially from measles and diarrhoea. Combining the administration of vitamin A supplements with immunization is an important part of the effort to treat affected children under five years of age, estimated to be between 140 and 250 million globally. Since 1987, UNICEF and WHO has advocated the routine administration of vitamin A with measles vaccine in countries where vitamin A deficiency is a problem. Great success and many millions of children have been reached by including vitamin A with National Immunization Days (NIDs) to eradicate polio. Vitamin A supplementation in pregnancy controls maternal vitamin A deficiency and subsequent deficiency in early infancy. It also reduces anaemia and other micronutrient deficiencies in the mother and improves quality of breast milk. Providing immunization-linked high-dose supplementation to new mothers soon after delivery has provided effective in preventing Vitamin A deficiency in young infants through enriched breast milk from their mothers. Food and nutrition are a core component of comprehensive HIV and TB treatment programmes. Good nutrition and adequate food security increases the uptake, adherence and health outcomes of these programmes. A number of countries, particularly in southern Africa, have systematically integrated nutrition considerations and services into national HIV treatment programmes.

129. **Prevent and treat nutritional deficiencies in children under five and their mothers.** Measures to prevent nutritional deficiencies in children under five and their mothers include: (i) exclusive breastfeeding for children under 6 months; (ii) complementary foods for children 6 to 24 months; (iii) vitamin and mineral supplements; and (iv) food fortification. Treatment-based interventions include (i) ready-to-use therapeutic foods (RUTF); and (ii) deworming.

Example 24. Community or national prevention-based programmes: “Good Start to Life” in Peru

The “Good Start to Life” programme was initiated in 2000 in 4 regions of Peru and covered approximately 75,000 children under 3 years of age and 35,000 pregnant and lactating women. The programme consisted of a series of interventions to promote growth and development of children, ensure adequate diets for pregnant and lactating women, and promote exclusive breastfeeding during the first 6 months of life and complementary feeding thereafter. After four years, the prevalence of stunting decreased from 54 to 37 per cent, iron-deficiency anaemia declined from 76 to 52 per cent and vitamin A deficiency fell from 30 to five per cent. Peru is on track to meet the dietary energy consumption target of MDG 1 by 2015 and the prevalence of underweight remains low at five per cent. Similar programmes have been adopted by Bangladesh and Cambodia.

130. An innovative community-led public health model to treat severe acute malnutrition without complications in the community has been developed called Community-Based Management of Acute Malnutrition (CMAM). This approach engages the community to detect signs of acute malnutrition early and provides treatment with ready-to-use therapeutic foods (RUTF) or other lipid-based supplements and nutrient-dense foods at home. This approach can prevent the deaths of hundreds of thousands of children and save resources required for the more expensive facility-based treatment of severe acute malnutrition with complications.
131. Many countries are now scaling up CMAM, with 42 country-wide action plans and guidelines having been prepared in Africa, Asia and the Middle East. Challenges remain. First, horizontal integration of CMAM programmes into weak health and procurement systems adds complexity and burden to those working on the ground, if not well coordinated. Second, the “C” of CMAM should not be underemphasized – community mobilization, participation and ownership must be included in large scaled-up national programmes in order to succeed. Third, a challenge remains in that CMAM may be equated solely with the distribution of RUTF instead of a holistic approach.

Example 25. Community or national prevention-based programmes: The “Peanut Butter Project” in Malawi

In Malawi, the proportion of undernourished people has decreased from 45 to 29 per cent from 1991 to 2005 and the prevalence of children underweight from 27 per cent in 1992 to 22 per cent in 2002. The Peanut Butter Project is an example of an intervention that is contributing to these results in Malawi. It operates in a rural setting outside of the city of Blantyre, which lacks overall health care facilities, thus making the three treatment modalities of CMAM difficult to implement. Instead village health aides are trained in screening, diagnosing and basic treatment of acute malnutrition with home-based care. This situation will not work in all settings, particularly if a functional government supported rural health worker programme or locally-made foods are not readily available. However, it does provide an example where action can be taken even in resource-constrained settings with the right governance and support.

(b) Social protection and food and nutrition safety nets

132. Social safety nets protect people against risk and vulnerability, mitigate the impacts of shocks, including those triggered by natural hazards, and support people who suffer from chronic incapacities to secure basic livelihoods. It is important that these safety nets focus particularly on food and nutritional security to address acute and chronic crises. They can involve assistance in the form of cash, food, vouchers, school meals, mother- and child supplementary or complementary feeding programmes, food and nutrition programmes for vulnerable people, including the chronically ill, food or cash-for-work programmes, or subsidies, as well as technical assistance to strengthen the capacity of the government to design and manage effective safety nets. Social protection is a wider concept and includes insurance and social services such as health and nutrition care, vocational training and employment bureaus, credit services for income-generating activities or land registration offices.
133. **Food, voucher or cash transfers, or food assistance**, are an important instrument to address food needs of vulnerable people in various contexts, including chronic and acute malnutrition as a result of a shock. Many of these transfers have positive benefits for children, especially in high HIV-burden countries. These transfers are meant to ensure that minimum dietary energy needs of targeted beneficiaries are fully met. Food assistance can be conditional on attending schools, visiting health centres and attending training to develop and enhance skills. In emergency situations, food transfers are a common form of safety net.

Example 26. Large-scale safety nets in Brazil and Ethiopia

One of the most comprehensive social programmes in Africa, *Ethiopia's* Productive Safety Net programme, benefits some 7 million people at a maximum cost of US\$3.50 per person per month, or US\$21 for a maximum of 6 months per year. In Latin America, *Brazil's* Bolsa Família cash transfer programme provides a monthly allowance of about US\$51 per family to more than 12.4 million families.

134. **Supplementary feeding programmes** provide nutrient-rich foods, regularly targeting mothers and young children, HIV and TB patients and their families, and orphans and other vulnerable children. Supplementary feeding is often provided as an incentive for participation in social services, such as primary health care and education or to treat identified cases of moderate malnutrition (usually moderate wasting). Programmes can be quite effective if the nutritional content of the supplementary food is of good quality and linked to basic primary health care and nutrition education. *School meal* programmes are one form of supplemental feeding that have the potential to play an important role in addressing education, hunger and nutrition objectives. They can also play a role in agricultural development, e.g. through local sourcing of food. School meal programmes play an important role as a safety net, particularly in countries where social protection is at its early stages of development and where there is a large population of vulnerable children. With the support of WFP, school meal programmes were scaled up in 17 countries in response to high food prices in 2008, reaching an additional 5 million beneficiaries.
135. **Food- and cash-for-work programmes** provide food for public works, building infrastructure and preserving natural resources. A disadvantage is that only households with healthy members can participate, thus HIV/AIDS-afflicted households may be excluded, for example.

Example 27. Cash- or food-for-work programmes: MERET in Ethiopia

Ethiopia is one of the poorest countries in the world, with natural resource degradation being one of the most serious challenges in development. MERET (Managing Environmental Resources to Enable Transitions to More Sustainable Livelihoods) is a joint programme between the government and WFP aimed to build communities' resilience against shocks, and improve the livelihoods of rural households, particularly those headed by women. As a result of the MERET program, 300,000 hectares of land have been restored, with one million people benefiting annually, in 600 communities across Ethiopia. MERET has helped to improve food security because the soil and water conservation has facilitated diversification of agricultural production including the cultivation of a wide variety of cash crops.

136. **Price interventions and subsidies**, in general, have been poorly targeted and costly in terms of budget expenditures. Further, they often provide disincentives to trading and production. Yet, in certain cases well-targeted food or input subsidies can improve access to food for vulnerable households. "Market-smart" input subsidies include the use of vouchers redeemable through commercial dealers, demonstration packs to stimulate demand, and credit guarantees to encourage importers to offer credit to their dealers.

(c) Smallholder farmer productivity-enhancement approaches

137. Some 2 billion people, about one-third of the global population, belong to farming households that cultivate less than 2 hectares of land. These smallholders, many of them women, constitute over 85 per cent of the world's farmers, and a majority of the poor and food insecure. Their failure to obtain an adequate livelihood in the places where they were born is a major contributor to rural-urban migration and the swelling numbers of urban poor. Acting to enhance their productivity and improve their livelihoods is thus central to any solution to today's global food crisis and the long term problems of hunger and poverty.
138. Smallholders and the landless poor with access to garden plots produce some food crops and may raise small animals or poultry, but can not rely on farming as their only source of livelihood. Typically, they are net buyers of food and live on less than US\$ 2 a day. They have the capacity to grow more food, both for home consumption and for generating supplementary income, but face numerous constraints. Besides providing support to help them meet their immediate food needs and improve the nutritional quality of their diets, they require appropriate training and group-formation support to enable them to improve their managerial and technical skills and take advantage of new livelihood opportunities on offer.
139. Policies promoting smallholders and more equitable land distribution lie behind country success stories during the Green Revolution in several Asian countries and in other regions.

Example 28. Policies promoting smallholders and more equitable land distribution

Indonesia, Mexico and Sierra Leone are three countries that have developed innovative approaches for empowering poor rural communities as a strategy for implementing National Programmes for Food Security (NPFS) that aim to improve availability and access for small farming households.

In *Indonesia* the Village Food Resiliency (VFR) component of the country's General Food Security Policy targets farmer groups in selected villages where at least 30 per cent of the population is classified as poor. These groups are formed on the basis of "affinity" or "binding factors" and facilitated by extension workers. Each group learns how to prioritize, cost and manage its own activities and develops its own Farmer Group Development Plan, aimed at improving livelihoods and achieving sustainable food security for group members and their communities. The planned activities are then financed from a Revolving Fund System that the group has to keep replenished once the start-up capital is gone. In 2006 the nationwide VFR programme was initiated in 250 villages in 122 districts. Now there are 1,174 villages in 275 districts in 33 provinces participating and an extension for the period 2010-2014 is foreseen.

Mexico's Strategic Project for Food Security (PESA in Spanish) aims to improve food security and contribute to the reduction of poverty in a sustainable manner in the most marginalized rural areas of Mexico. The Government has established decentralized Rural Development Agencies (ADR) to promote and develop capacities of individuals and rural communities to define their own problems and identify viable alternatives. The ADR provide a continuous follow up to local rural development initiatives. So far, over 100,000 poor families have participated directly in community-level projects, focusing both on improving living conditions (housing, stoves, water tanks, grain storage, poultry and vegetable gardens) and on expanding productive options (soil and water management, organic coffee, maize and beans, marketing, eco-tourism). The funding comes from the federal budget and has steadily increased in response to local demand.

When the civil war in *Sierra Leone* came to an end in 2002, President Kabbah made a solemn pledge to banish hunger within five years. To this end, the government developed a Community-based Extension and Capacity-building Programme (CECP), with FAO support. This programme introduced community-based Farmer Field Schools (FFS) as the primary instrument for improving rural food security and livelihoods within the framework of the National Recovery Strategy. The CECP was implemented in several stages between 2003 and 2007, with funding from various sources. During Stage 1, trained district coordinators ran pilot field schools on rice, vegetables, tree crops and marketing in 48 sites, with over 1,000 farmers involved. Some 20,000 farmers were reached during Stage 2, and fourteen District Networks with independent status were established by farmers. In addition to promoting agricultural intensification, diversification and marketing, literacy and health issues were also addressed by the networks. By the end of Stage 3, training had been provided to over 200,000 smallholder households, community programmes and school gardens had been introduced, a national seed programme had been initiated and support was being provided to transform existing FFS groups and other farmer-based organizations into decentralized Agricultural Business Centres serving a client base of around 400 smallholders each. Many of these activities benefited women in particular. As rice is the staple food in the country, special importance has been given to improving productivity and marketing of this important commodity. Thanks to the introduction of improved hybrid rice varieties, significant increases in yield have been achieved, with consequent income benefits for small-scale farmers.

140. Besides the impact on hunger alleviation achieved by increasing the agricultural income of vulnerable households, approaches that focus on legumes, biofortification, and production of vegetables, fruits, livestock, poultry and fish for own consumption can have a positive impact on nutrition. In addition, assessing disaster risks and taking measures to reduce them can safeguard human life and investments, preserve food production capacity and contribute to combating poverty.

Example 29. Promoting home, community, school, urban and micro-gardens

Helen Keller International (HKI) introduced its homestead food production programme (HFP) in Bangladesh, Cambodia, Nepal and Philippines where micronutrient undernutrition is a serious public health problem among women and children. It integrates animal husbandry with home gardening, aiming at enhancing consumption of micronutrient-rich foods. Between 1990 and 2007, more than one million households benefited from this programme. An assessment showed that participating households significantly improved dietary diversification, increased animal food consumption and contributed to reductions in the prevalence of childhood anaemia. The HFP model has recently been enhanced to include interventions to improve child growth through improved breastfeeding and complementary feeding (E-HFP).

(d) Multi-sector approaches

141. Recent calls for greater attention to hunger and undernutrition highlight the importance of integrating technical interventions with broader approaches to address underlying causes of food insecurity – incorporating perspectives from agriculture, health, water and sanitation, infrastructure, gender, education, good governance and legal, judicial and administrative protection. These approaches combine short-term and longer-term interventions from different sectors within a single strategic framework that aims to tackle chronic undernutrition in a comprehensive way by dealing with the immediate, underlying and root causes of hunger and undernutrition. Typical interventions include:

- (i) *Social protection, including food and nutrition safety nets*
- mother-and-child health and nutrition programmes;
 - food and cash transfers, including for orphans and vulnerable children, particularly in high HIV burden countries;
 - food assistance programmes for vulnerable people (ill, elderly, disabled, homeless, imprisoned);
 - school meals programmes (lunch, breakfast, morning snacks and take home rations);
 - extension of social security to the informal economy, targeting women in particular;
 - inclusion of disaster risk reduction in public policy and in fiscal goals will reduce vulnerability to shocks created by natural hazards;
- (ii) *Agriculture*
- support for smallholder access to inputs, including land, particularly among women, and diversification into high-value agricultural activities, such as horticulture, small livestock and aquaculture as well as for the diversification of diets with micronutrient-rich foods;
 - urban and school garden programmes for promoting healthy food consumption patterns for future generations, emphasising fruit and vegetables;
 - use of locally available foods, in particular improving and diversifying food production of small farmers, in feeding and food assistance programmes;
 - market and storage facilities;
- (iii) *Health and nutrition*
- micronutrient supplementation, including at least Vitamin A, iron, zinc and folic acid;
 - fortification of frequently consumed food products and food supplements with micronutrients, including folic acid, iron, vitamin A, zinc and iodine;
 - de-worming;
 - initiation of exclusive breastfeeding within 1 hour of birth (including colostrum feeding) and appropriate feeding of HIV-exposed infants;
 - nutrition and good hygiene education;
 - community infrastructure;
 - clean drinking water;
 - nutrition and food packages as part of HIV and TB treatment programmes;
- (iv) *Good governance*
- adopt and apply national laws on food and nutrition;
 - design and implement national strategies, policies and priorities with the specific focus on food insecurity and undernutrition;
 - establish national councils or commissions on food security that includes representatives of various ministries, other organs of the State (parliament, judiciary) and civil society;
 - monitor and evaluate food security and undernutrition continuously with involvement of national human rights institutions and Ombudsman offices; and
 - protect judicially the right to food as an enforceable right.

Example 30. Multi-sector approaches

This approach has been implemented by the Millennium Villages in 80 villages in 10 sub-Saharan African countries. In the first village of rural western Kenya showed a tripling in maize yields, a decrease in the levels of underweight and stunting – from 18 to five per cent and from 55 to 30 per cent, respectively.

REACH is a joint UN effort to support countries to accelerate progress on the underweight target. REACH supports government-led efforts and five interventions areas: hygiene and parasite control, food availability and accessibility, micronutrient intake, infant and young child feeding practices and treatment of severe acute malnutrition. The REACH partnership has piloted the approach in Mauritania and Lao PDR. Mauritania has made great progress on the MDG 1 underweight target effectively decreasing moderate and severe underweight from 48 to 31 per cent from 1990 to 2008.

Guatemala adopted in 2005 a law creating a national system for food and nutrition security, which recognizes the right to food and created the National Council on Food Security and Nutrition (CONASAN) which is made responsible for coordinating the work of different ministries and other state entities in implementing the food security and nutrition policy. The law also mandates the Ombudsman for Human Rights to monitor the Government's fulfilment of its obligations to respect, protect and fulfil the right to food and submit an annual report to the Council. The Ombudsman has already prepared five annual reports, which have also given a space for civil society. As a result, the State is now putting more attention to underlying and structural causes of hunger and undernutrition, including land reform and the security of land tenure by the creation of agrarian tribunals.

In 2009 the Government of Timor Leste identified and established seven national priorities, among them is the National Priority working group on Food Security (NP 1). The working group includes all stakeholders, such as the ministries of tourism, trade and commerce, social solidarity, health and education, UN agencies and civil society. It has achieved 75 per cent of its targets in 2009, including in rural areas. The Ministries of Education and Health and WFP have distributed food supplements high in nutrition for pregnant women, lactating mothers and children. The UN is assisting the government to achieve MDGs by aligning the national priorities to MDGs.

III. CONSTRAINTS TO ACHIEVING FOOD AND NUTRITION SECURITY**1. LACK OF OPERATIONAL PRIORITY FOR PROGRAMMES AND EFFORTS TO REDUCE UNDERNUTRITION AND HUNGER**

142. The cost of hunger is very high in terms of deprivations in health, reduced educational attainment, deficits in cognitive development and lost productivity (as much as eleven per cent of GDP in some countries).⁴⁸ Moreover, nutrition-based interventions have very high returns – among the highest of any development intervention.⁴⁹ Nevertheless, in too many instances, governments and their development partners have failed to provide essential domestic public goods needed to achieve sustained food and nutrition security, due to underinvestment in agriculture, nutrition and health as well as in monitoring and early warning measures. The reasons for this low priority include: low demand for nutrition services from communities because undernutrition is often not visible; governments' lack of recognition of high undernutrition's economic costs; and the fact that multiple stakeholders are responsible for nutrition.

(a) Lack of priority for food and nutrition security

143. A review of PRSPs in 60 countries where undernutrition is high demonstrated that less than 30 per cent of them mentioned hunger and though 57 per cent of the strategies mentioned nutrition, very few made significant attempts to formally include nutrition into the actual strategy or budgetary priorities.

(b) Lack of an institutional home for food and nutrition security

144. Food and nutrition security is a cross-sector objective that requires action by national and local institutions with a variety of mandates, including agriculture, health, education, water and sanitation. As a result, no single entity or working team takes primary responsibility for working at the nexus of policy, programming, research, monitoring and information for food and nutrition security as such. It is difficult to commit staff and resources fully when a sector is divided among several departments. In worst affected countries, there is often not a single ministry or national authority dealing specifically with hunger, despite the scale of the

⁴⁸ *El Costo del Hambre: Análisis del Impacto Social y Económico de la Desnutrición Infantil en América Latina*. Santiago de Chile. ECLAC and WFP, 2007.

⁴⁹ Horton, S., Alderman, H., & Rivera, J. 2008. *Copenhagen Consensus 2008 Challenge Paper: Hunger and Malnutrition*. (available at www.Copenhagenconsensus.com).

problem. This is even more the case for nutrition, which can only be described as an administrative and institutional orphan.

(c) Inadequate information base for making sound policy and programming decisions

145. Much has been invested in data collection in recent years, partly as a result of the MDGs and the need to have data on the MDG indicators. Nevertheless, information on food and nutrition security, particularly the access, consumption and stability dimensions, including of different gender and age groups, is often weak, outdated or non-existent. Governments often may not seek out or receive the information they need to make effective policy decisions. More than 20 African countries currently lack nutrition data, and many more countries lack reliable data on the coverage, quality and impact of food and nutrition programmes.

(d) Little local capacity to develop, manage and monitor complex, multi-sector programmes

146. There is often little local capacity to develop, manage and monitor programmes. This is particularly true in combined health, nutrition and food security programmes. Institutions managed by and accountable to local communities are essential. If human capacity does exist, incentives, skills development and ownership need to be put into place.

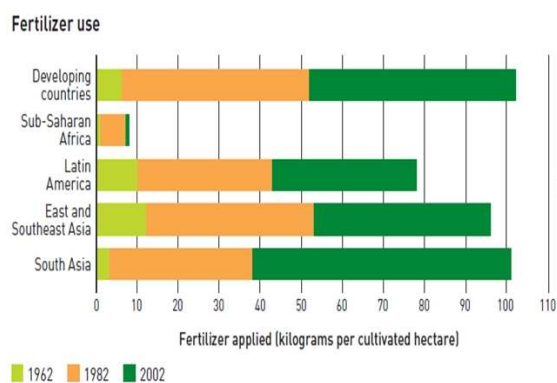
2. LACK OF SMALLHOLDER ACCESS TO INPUTS, TECHNOLOGIES AND MARKETS

147. Increased investment in agriculture that is focused on smallholder farmers and rural development will not have the desired effect of turning agriculture into a vibrant economic sector with positive effects on poverty and hunger reduction, unless constraints that currently prevent smallholders, often women, from obtaining a viable livelihood from agriculture are removed. The inequalities in access to inputs, markets and technologies are substantial. Key constraints include the following:
148. **Insufficient access to agricultural inputs: fertilizer.** The most important agricultural inputs for smallholders are fertilizers and seeds. Fertilizer use per hectare of arable land is far lower in Africa than in other parts of the developing world (see Figure 8). The low level of fertilizer use and non-increasing trend from 1982 to 2002 in Africa is due to several factors: (i) poor infrastructure that increases fertilizer costs and reduces availability; (ii) lack of secure land tenure and difficulties in obtaining agricultural credit; (iii) high risk of being unable to cover the cost due to variability of rainfed harvests and resultant market price volatility; and (iv) a poor business environment shaped by regulations, taxes and rents that divert fertilizer provision from the private to the public sector, which tends to allocate supplies inefficiently.
149. **Insufficient access to agricultural inputs: seeds.** Smallholder farmers in many developing countries have traditionally relied on seeds saved from the previous year's harvest to plant their next crop. This practice helps to preserve the biodiversity of traditional varieties, but the quality of the seed is often poor and yields are low. A sustainable seed system ensures that high quality seeds of a wide range of varieties and crops are produced and fully available in time and affordable to farmers and other stakeholders. Many small farmers, however, do not have access to such systems due to a combination of factors, including inefficient para-statal seed production, lack of credit to purchase high quality seeds and poorly-developed quality assurance and distribution systems.
150. **Lack of access to credit.** While access to credit varies both within and among developing countries, available evidence shows that a large percentage of smallholders suffer from insufficient access to credit. Reasons for this include poorly-developed institutional infrastructure for provision of agricultural and rural finance, high transaction cost per amount lent and inability of smallholders to put up the collateral required to obtain financing for medium-term investments. This reduces small farmers' timely access to, and use of, appropriate inputs and restricts their ability to invest in improved technologies that could significantly increase their productivity and income over time.
151. **Lack of access to markets.** Access to functioning markets for both staples and high value commodities as well as for inputs is a critical prerequisite for agricultural development and improved productivity. Market access differs between developing regions, with sub-Saharan Africa having the lowest level, particularly for smallholders (see Figure 9). Participation of smallholders in many developing country markets is constrained by high transport costs, poor market information, inadequate and poorly enforced grades and standards, and poor farmer organization for bulk marketing.
152. **Inadequate infrastructure.** Investment in rural infrastructure (feeder roads, power and communications networks, marketing and storage facilities) is crucial to sustainable agricultural development. In particular, decentralized small-scale agricultural production in the developing world needs well-developed transportation networks to improve market access, reduce retail fertilizer prices and increase harvest

prices for farmers (see Figures 10 and 11). For several African countries, there would be sizeable benefits in terms of poverty reduction.

153. **Lack of assets, including land.** Access to, and use of, physical capital is quite unequal both within and among countries. Small landholders consistently employ less capital-intensive practices (see Figure 12). Similarly human capital is strongly related with the level of wealth; in poorer households, household heads are systematically less educated relative to richer households. Availability of assets (land, housing, physical and human capital) is essential for risk management and coping with shocks. Sometimes, farmers do not have proper documentation for their land. Insecurity of land tenure results in underinvestment in land and may result in forced evictions. Women also face challenges to own property and cultivate on the same footing with men because of the patriarchal culture and land ownership in some countries.
154. **Lack of appropriate technologies.** Access to a regular stream of technologies adapted to specific conditions contributes to increasing productivity, particularly in the context of limited land resources, and thus is important for small scale producers. For example, in the past, increasing the proportion of irrigated agricultural land provided a solid base for increasing productivity and reducing the volatility of agricultural yields. Nowadays, with demand for water increasing, and climate change imposing further restrictions, dissemination and adoption of more efficient technologies that encourage large commercial farming and livestock operations to manage available water resources more efficiently and enable smallholders to practice irrigated agriculture have become a necessary condition for productivity increases in agriculture.
155. **Lack of nutrition education.** Nutrition education is essential to ensure that improved food availability and access will lead to the consumption of diverse diets for the benefit of the whole family, especially children and women. Nutrition education and information materials, including food-based dietary guidelines, need to be developed and disseminated to raise awareness and to educate the public, school children, teachers, vulnerable groups such as migrants, food producers and processors and consumers on feeding practices, healthy diets and healthy living and to create demand for food products that can address nutritional needs from local resources. Dietary diversification, school gardening projects, support for healthy school meals and training of school personnel and the integration of nutrition education modules into primary school curriculum will improve school children's nutrition and learning.

Figure 8



Sources: FAOSTAT data and M. Morris, V.A. Kelly, R.J. Kopicki and D. Byerlee. 2007. Fertilizer use in African agriculture: lessons learned and good practice guidelines. Washington, DC. World Bank.

Figure 9

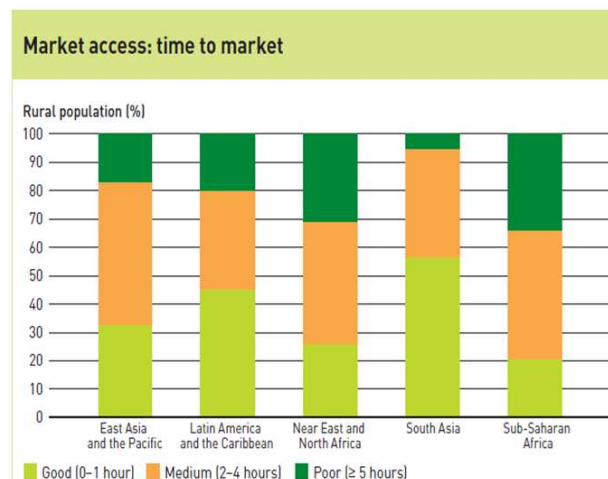


Figure 10

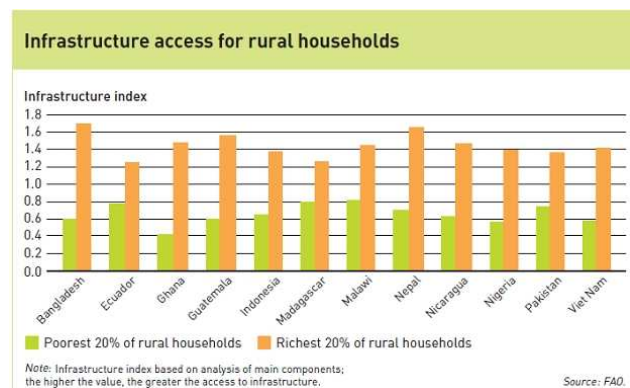


Figure 11

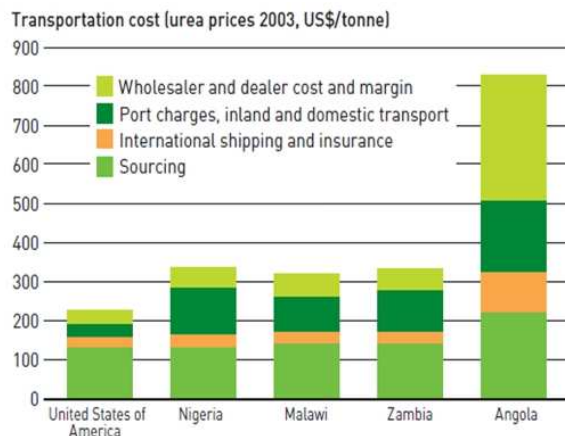
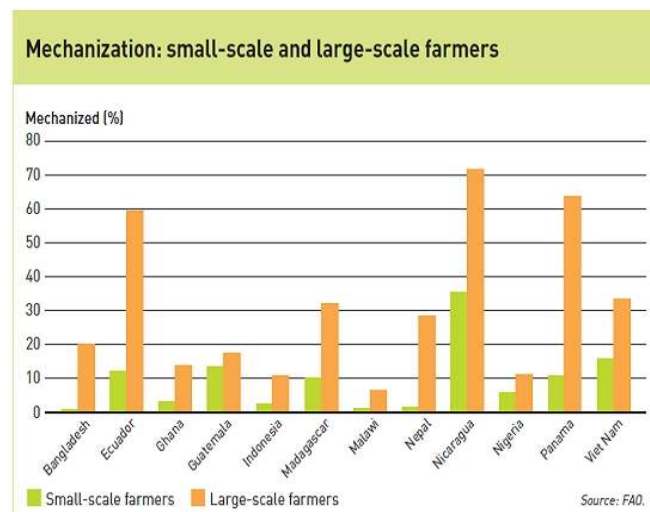


Figure source: D.I. Gregory and B.R. Bumb, 2006: Factors affecting the supply of fertilizer in sub-Saharan Africa. *Agriculture and Rural Development Discussion Paper 24*, Washington, DC, World Bank.

Figure 12



156. **High volatility and risk.** Agricultural production is inherently a high risk activity, but recent years have seen an increase in both the level and variability of food prices on world markets. This constraint limits potential intensification of agricultural production, or adoption of agricultural technology. Risk assessments, early warning systems and flood and drought-resistant cropping strategies are examples of essential investments that protect and save lives, property and livelihoods, thus contributing to the sustainability of development and reducing poverty.⁵⁰

IV. PRIORITIES FOR ACTION

157. Policies and programmes to prevent and manage undernutrition, to protect and promote good nutrition and address the causes of hunger and undernutrition have been discussed and agreed upon in various international fora since the International Conference on Nutrition (ICN, Rome, 1992), the World Food Summit (WFS, Rome, 1996), the WFS-5YL and the WSFS 2009. We know what to do, the problem has been the lack of political will to do it.

⁵⁰ Hyogo Framework for Action 2005-2015: Building the resilience of nations and communities to disasters.

1. RAISE FOOD AND NUTRITION HIGHER UP ON THE POLITICAL AGENDA

158. Accelerated progress in fighting food insecurity and undernutrition requires governments to put appropriate food and nutrition security policy responses much higher on their agendas, and to provide adequate resources for their design and implementation. Advocacy at the national and international level for achievement of the nutrition-related MDGs interventions is required.

2. FOCUS ON HUNGER HOTSPOTS AND VULNERABLE POPULATIONS

159. Hunger hotspots within countries and vulnerable population, including women and young children, should be a top priority. Hunger and undernutrition needs to be reduced while inequalities are lowered as well. In keeping with the comprehensive approach, addressing the availability, access, utilization and stability dimensions of food security, policies should focus on (i) immediate needs of the most vulnerable, hungry and poor, including those in high prevalence areas, and (ii) investment in sustainable agriculture, food security, including through food safety nets, nutrition and broad-based rural development to eliminate the root causes of hunger and progressive realisation of the right to food.

For targeting, population groups at risk, where they are and who they are, need to be identified. Vulnerable population groups can be identified by geographical-administrative locations and functional characteristics, such as housing characteristics (water use, sanitary conditions, etc), household member characteristics (occupation, education, economic activity and sex of household heads among others) and household characteristics (number of family members, number of vulnerable members, access to basic services, etc).

3. UNIFY NATIONAL STRATEGIC FRAMEWORKS FOR FOOD SECURITY

160. One national plan, one budget, one legal, policy and institutional framework and one reporting mechanism should be in place for a harmonized, streamlined effort to enhance food and nutrition security. Even in decentralized mechanisms, a chain of command must exist up to the national level where capacity, data and reform management should be centralized. International organizations should play an active role in supporting national governments through providing tools and technologies, capacity and resources to address hunger and undernutrition in the context of a wider, locally owned development strategy.

4. RECOGNIZE THE RIGHT TO FOOD AND DEVELOP STATE CAPACITIES TO RESPECT, PROTECT AND FULFILL IT

161. A human rights-based approach to food security is an important component in the fight against hunger. It places the human being at the centre. The human right to adequate food should be firmly embedded in national constitutions and laws and in all policies that aim to ensure food and nutrition security. This would encourage that the right to food becomes an entitlement in practice, and is seen as an obligation of government. From political decision-making until monitoring and evaluation, the voice of those who are the most vulnerable is required to hold governments accountable for their obligations in fulfilling everyone's right to adequate food. The effective implementation of a national strategic framework depends on the development of the State capacity to respect, protect and fulfil the right to food. The creation of properly funded government mechanisms, and coordination bodies with real oversight authority is critical to ensure the effective implementation of multi-sectoral policies and strategies.
162. It is recommended to devise clear norms and procedures in which the entitlements of the right holders and the obligations and responsibilities of the duty bearers are clearly spelled out, including possible penalties. Provision of information and establishment of administrative and legal mechanisms to which the right holders can resort to claim their rights are necessary. The roles of an independent and accessible judicial system as well as of human rights institutions can be crucial in strengthening national accountability systems with respect to hunger and undernutrition.
163. Civil society participation in decision making processes has to be promoted, by removing the obstacles that prevent a free and active participation and empowering marginalized groups, including community-based organizations, small farmers' organizations and women's organization.

5. STRENGTHEN SOCIAL PROTECTION, INCLUDING FOOD AND NUTRITION SAFETY NETS

164. Social safety nets protect people from chronic incapacity to secure basic livelihoods and acute declines in such capacity as a result of shocks. These safety nets focus particularly on food and nutritional security to address acute and chronic crises. The choice of the most appropriate safety net depends on the specific socio-economic, historical and political context, which include programme objectives (e.g. nutrition,

income transfer, access to health and education services), the functioning of markets, the availability of implementation capacities and delivery mechanisms, cost-efficiency, and beneficiaries' preferences.

165. Food and nutrition safety nets can involve assistance in the form of cash, food or vouchers transfers, school meals, mother- and child supplementary or complementary feeding programmes, food and nutrition programmes for vulnerable people, including the chronically ill, food or cash-for-work programmes, and targeted food subsidies. Investment in prevention and treatment of undernutrition in children, addressing the food and nutrition needs of women, children and people chronically ill and to some extent the entire population, following a life-cycle stages approach, is a priority for human capital formation. Public health nutrition interventions listed in Section II.2(a) are recommended for increased funding. Investment in disaster risk reduction also need to increase to create resilient communities, establish technical standards for infrastructure, environmental sustainability and disaster proof development investments.
166. Building capacity to provide essential public services to rural communities should be a central goal of national government and donor-funded activities. A cost-effective approach, based on the Mexican and Indonesian models, would involve establishing multi-sector specialist teams at provincial level and creating and training a corps of paraprofessional extension workers in agriculture, nutrition, health, micro-finance and community-based planning, who would reside in villages identified as hunger hotspots. These workers would receive specialized training and backstopping support from the provincial teams on specific packages of interventions that could tackle primary issues of hunger and undernutrition identified as priorities by local people.
167. Many poor and food insecure people, particularly women and youth, have been unable to receive even a primary education due to having to work from an early age in order to survive. By providing literacy training and teaching them basic skills in accounting, group organization and farm management, and nutrition and lifestyle education they can often be helped to improve their livelihoods and food and nutrition security status, through both increased agricultural productivity and higher-paying off-farm employment resulting in improved diets and lifestyles.

6. INVEST IN SMALLHOLDER AGRICULTURE AND NARROW THE NUTRITION GAP

168. Poverty and inequality are important factors that need to be taken into consideration and addressed in order to reduce hunger. There is ample evidence showing that agricultural growth processes that include smallholders, many of them women, have a large impact on poverty and hunger reduction. In addition to increasing food availability and lowering food prices, improved smallholder productivity generates higher incomes and increases household food security. More prosperous smallholder households create more demand for locally-produced goods and services and this results in broad-based, socio-economic development in rural areas. This dynamic process is a primary reason why agricultural growth is up to four times more effective in reducing poverty relative to growth in other sectors.
169. In the years to come, demand for food and feed will continue to grow as a result of urbanization, economic growth and rising incomes, all of which cause an increase in total amount of food consumed and a shift in diets towards higher value products, including meat and dairy. Investment in agriculture needs to be sufficient to enable the sector to meet this growing and changing demand and investing in smallholder agriculture needs to be accorded high priority, if poverty and hunger reduction targets are to be met.
170. Priority investments to address constraints described above include: (i) well-designed and targeted fertilizer subsidies; (ii) good seed policy that encourages development of smallholder production capacity, effective quality control and a dynamic private sector seed market; (iii) rural finance and microcredit; (iv) rural roads; (v) small-scale water management and irrigation technologies; (vi) reducing the impact of natural hazards to agriculture, including through flood and drought-resistant cropping strategies; (vii) new innovations in weather insurance; and (viii) secure access to land, including for women.
171. Natural hazards can influence food security in a negative way. Special focus is needed on mitigating the impact of hydro-meteorological fluctuations through multiple cropping, water conservation and biological control measures.
172. Achieving food and nutrition security requires narrowing the "nutrition gap" by increasing the availability, access and utilization of the foods necessary for a healthy diet. The following investment options are developed with both yield and nutrition goals in mind and aim to boost production and consumption of a diversity of high quality foods. Although none will narrow the nutrition gap on their own, each represents an important initial step:

- agricultural extension services provide information, advice and train on aspects related to improved inputs, small livestock and poultry ventures, marine fisheries and aquaculture for improved dietary diversity and improved nutrition;
- invest in sustainable forests and pasture management. For many poor people, forests are a “safety net” (providing food, water and additional income) and they harbour non-wood forest products (such as gums, resins and medicinal plants) with market value;
- use biodiversity to improve quality of diets by increasing intakes of micronutrient rich foods;
- provide nutrition education, for example through agricultural extension services;
- increase research and development (R&D) programmes that breed plants and livestock to enhance nutritional quality;
- increase availability and access of fertilizers supplemented with micronutrients, including through subsidies; and
- reduce post-harvest losses via improved handling, preservation, storage, preparation and processing techniques.

7. IMPROVE THE INFORMATION BASE AND MONITORING AND ACCOUNTABILITY MECHANISMS

173. In many countries, more rapid and reliable data are required and better coordination is needed between producers of food and nutrition statistics (national statistics offices and sector statistics offices) and users that monitor and assess the food and nutrition situation and interventions, including the health sector. Effective coordination would allow data and information for key factors affecting food and nutrition security outcomes to be generated within a holistic conceptual framework and increase its utility for decision-making. The costs of such coordination need to be estimated, and provision for covering them included explicitly in national budgets. A permanent and inclusive evaluation of food security policies and programmes is required to identify their impact on hunger and the progressive realization of the right to food, particularly among the most vulnerable. It is an essential basis to adopt corrective measures if needed.
174. The most food insecure populations within countries can be identified based on: (i) food security monitoring and information systems; (ii) census-derived household survey data that estimates the number of undernourished or food insecure by household characteristics and subnational geographic location; and (iii) food insecurity and vulnerability assessments. Disaggregated data by, sex, age, ethnic or tribal group, urban/rural location, informal and formal settlements and disability are required. From these various sources it is possible to know not only who belongs to the target population, but also to know where they are concentrated, the specific nature of their vulnerabilities and what their sources of livelihood are. Interventions can thus aim at enhancing the performance of their livelihood systems as well as to meet their immediate food needs.
175. Effective strategies will require *improved problem identification* – better identifying the major constraints and difficulties faced by such groups in terms of access to and consumption of adequate quantity and variety of foods that provide an appropriate diet for a healthy and dignified life; *improved programme design* – identifying more effective food, nutrition and agricultural intervention programmes with greater focus on people and advising on the selection of crops and seed varieties on the basis of consumption patterns and the nutrient composition of foods and diets; and *improved monitoring and evaluation* – data collection activities looking at the impact of price changes on consumption patterns, household food insecurity and dietary diversification using assessment tools developed. Efforts to protect people against discrimination and the discriminatory effects of policies and programmes should be monitored as well.

8. PROVIDE ADDITIONAL RESOURCES AND ALLOCATING THEM WHERE THEY ARE MOST NEEDED

176. There is a need for adequate, timely, predictable and flexible development assistance for food and nutrition assistance. Following a period of declining external resource flows for agriculture and food and nutrition security, in July 2009 the G8 nations committed an additional US\$20 billion over three years to food security. This is an important step in the right direction. There are, however, concerns that the right balance may not be struck between the need for medium-term investment in agricultural productivity enhancement to improve livelihoods for smallholders and meet future food demand, and the urgent imperative to improve food access and nutrition for those who are undernourished and hungry right now.
177. In addition, the resources pledged may not be enough to address the full range of needs. The 2009 World Summit on Food Security estimated that an additional net investment of US\$44 billion a year would be

required just to cover requirements in primary agriculture, storage, processing and marketing to meet growing demand for food between now and 2050. FAO has estimated that another US\$40 billion per year would be needed to provide adequate safety net coverage for the 1 billion people who are currently hungry – an amount that would decline over time as people exit from food insecurity. Moreover the World Bank has calculated that nutrition interventions in high burden countries alone would cost US\$11.8 billion per year, and Save the Children has estimated the cost of a package to end child hunger and undernutrition to be US\$8.8 billion per year for eight countries where 50 per cent of undernourished children live. It is therefore to be hoped that the L'Aquila commitment represents, not the final word, but rather the beginning of a new era of focused investment with realistic prospects of achieving Millennium Development Goal One.

V. CONCLUSIONS

178. With only five years to achieve the Millennium Development Goals, reaching the global targets under MDG 1 remains a significant challenge that has been made harder by the current world financial and economic crisis. However, experience and knowledge gained over the past decade suggest that the ways of achieving them are known, as are the challenges faced by countries.
179. As illustrated throughout the report, quick gains commensurate with the gravity of the situation have been achieved through tested measures, with concrete and immediate success in tackling extreme poverty. However, the reported 1.4 billion people still living below the international poverty line of US\$ 1.25 a day clearly indicates that accelerated progress is urgently needed, particularly on the decent work and hunger targets of MDG 1. As shown in the report, they are the two worst performing of all the MDGs due to significant backsliding in recent years.
180. Estimates from the 2005 Millennium Report indicate that “if the goals are met by 2015, approximately 500 million people will be lifted out of extreme poverty and more than 300 million will no longer suffer from hunger compared with 2005”. The recent fuel, food and financial crises are posing a additional threat to the prospects to achieve MDG1.
181. The expected gains for humanity are huge and therefore worth being pursued with a sense of global solidarity and renewed and broadest commitments around a wide range of cross-cutting areas that are crucial to achieving the MDGs.
182. The financial and economic crisis should be seized as an opportunity to identify and stimulate clear, unambiguous and monitorable action on new steps to achieve the 2015 targets.
183. Though the goal of eradicating extreme poverty and hunger is overarching, its realization depends very much on the achievement of the other goals embedded in the Millennium Declaration. Each and every one of the eight Millennium Development Goals has a critical bearing on the others, and all need to be achieved together.
184. In addition to being a moral obligation globally contracted, achieving the Millennium Development Goals is the most effective way to lasting peace, security and social justice.