



**COURSE ON KEY ISSUES  
ON THE INTERNATIONAL  
ECONOMIC AGENDA**

**The implications of the Sustainable  
Development Goals for the rural areas  
of developing countries**

**Rolf Traeger  
Chief, LDC Section**

**Geneva, 15 March 2016**

---

## This presentation

1. The importance of rural areas and agriculture
2. Agricultural productivity
3. The gender dimension
4. Implications of the SDGs



---

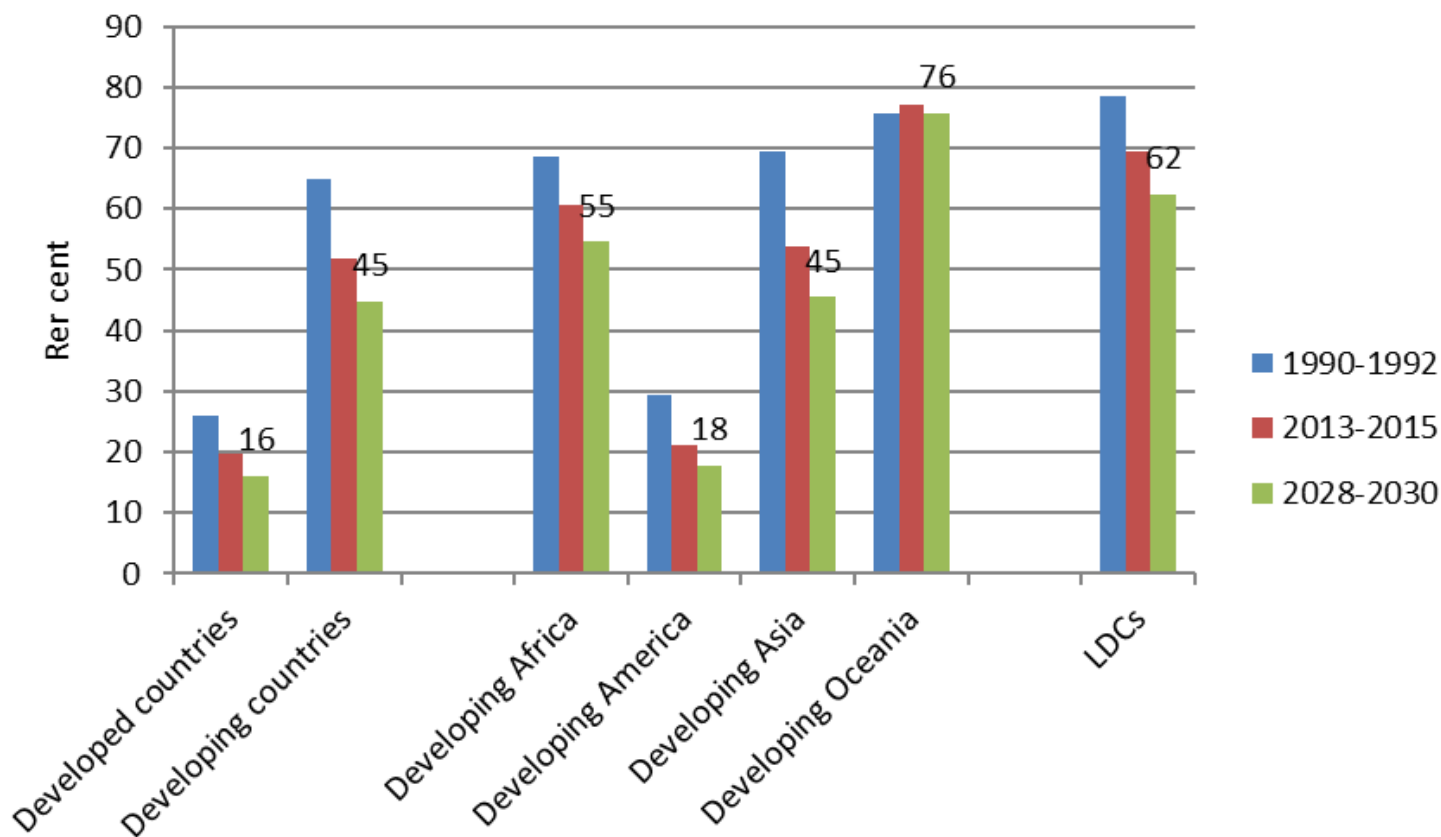
This presentation

- 1. The importance of rural areas and agriculture**
2. Agricultural productivity
3. The gender dimension
4. Implications of the SDGs



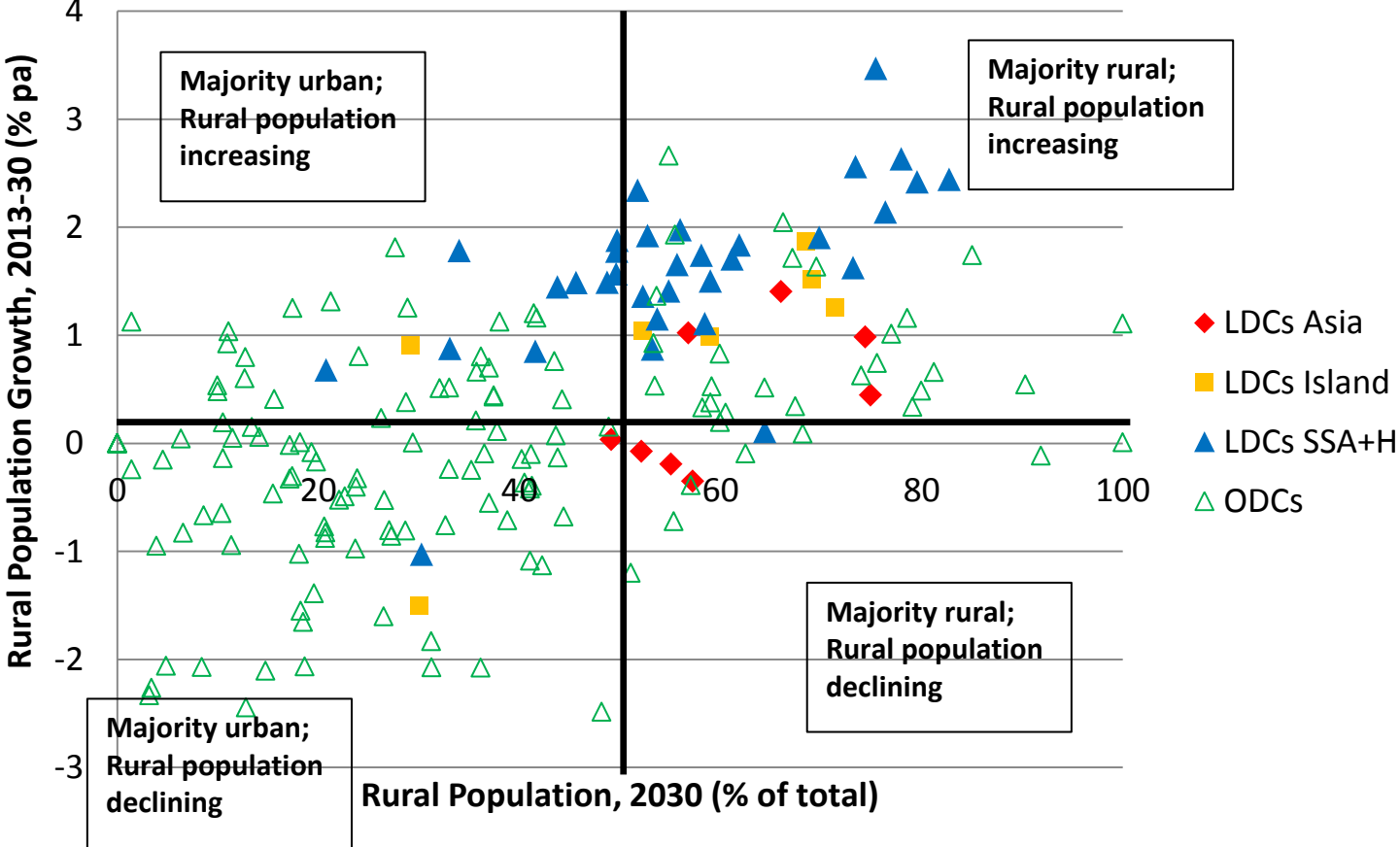
## Almost half of the population of developing countries lives in rural areas

### Share of rural population

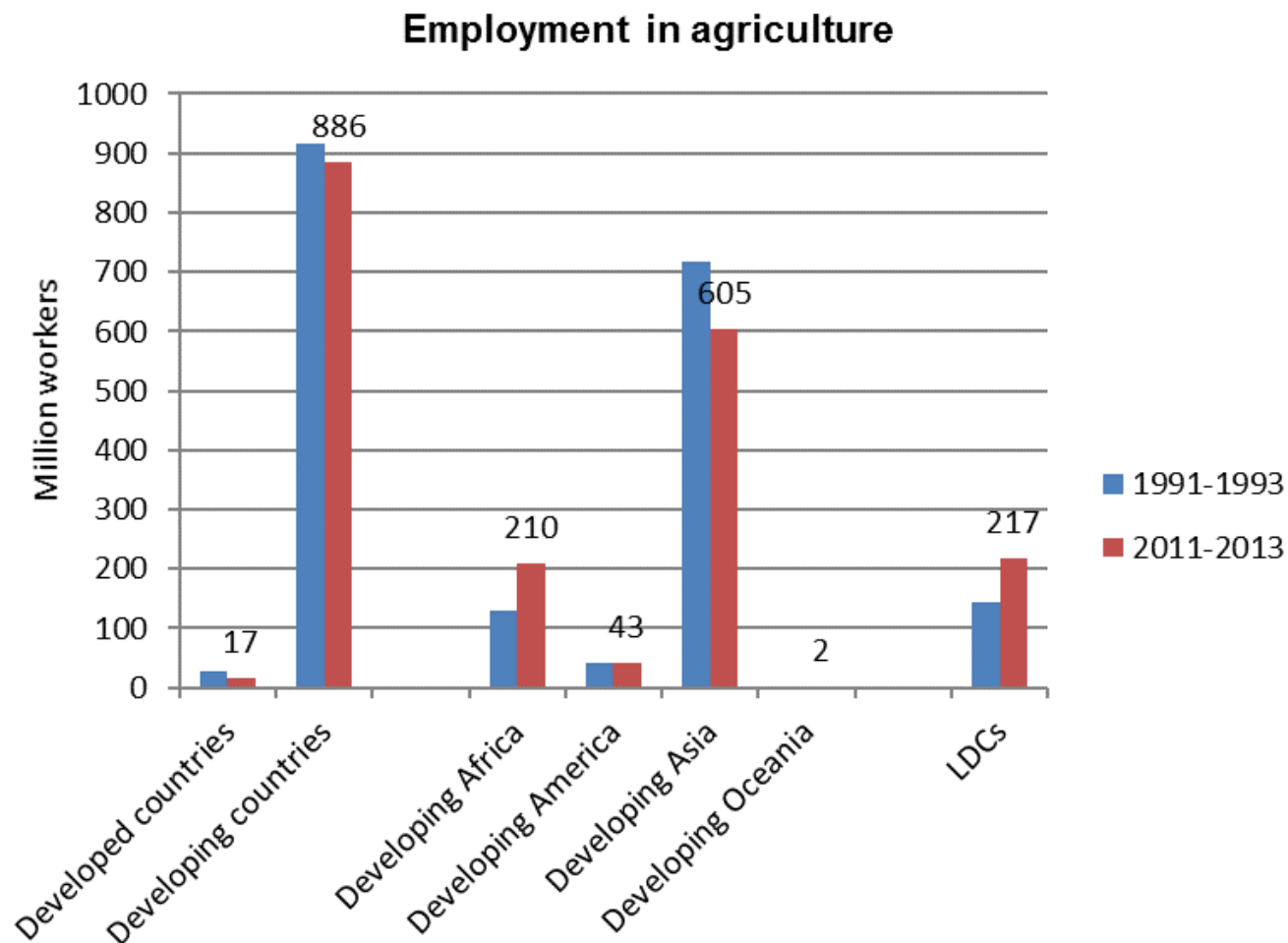


# Rural populations will keep growing, and remain predominant in 2030

### Projected Rural Population % (2030) and Rural Population Growth % pa (2013-30)



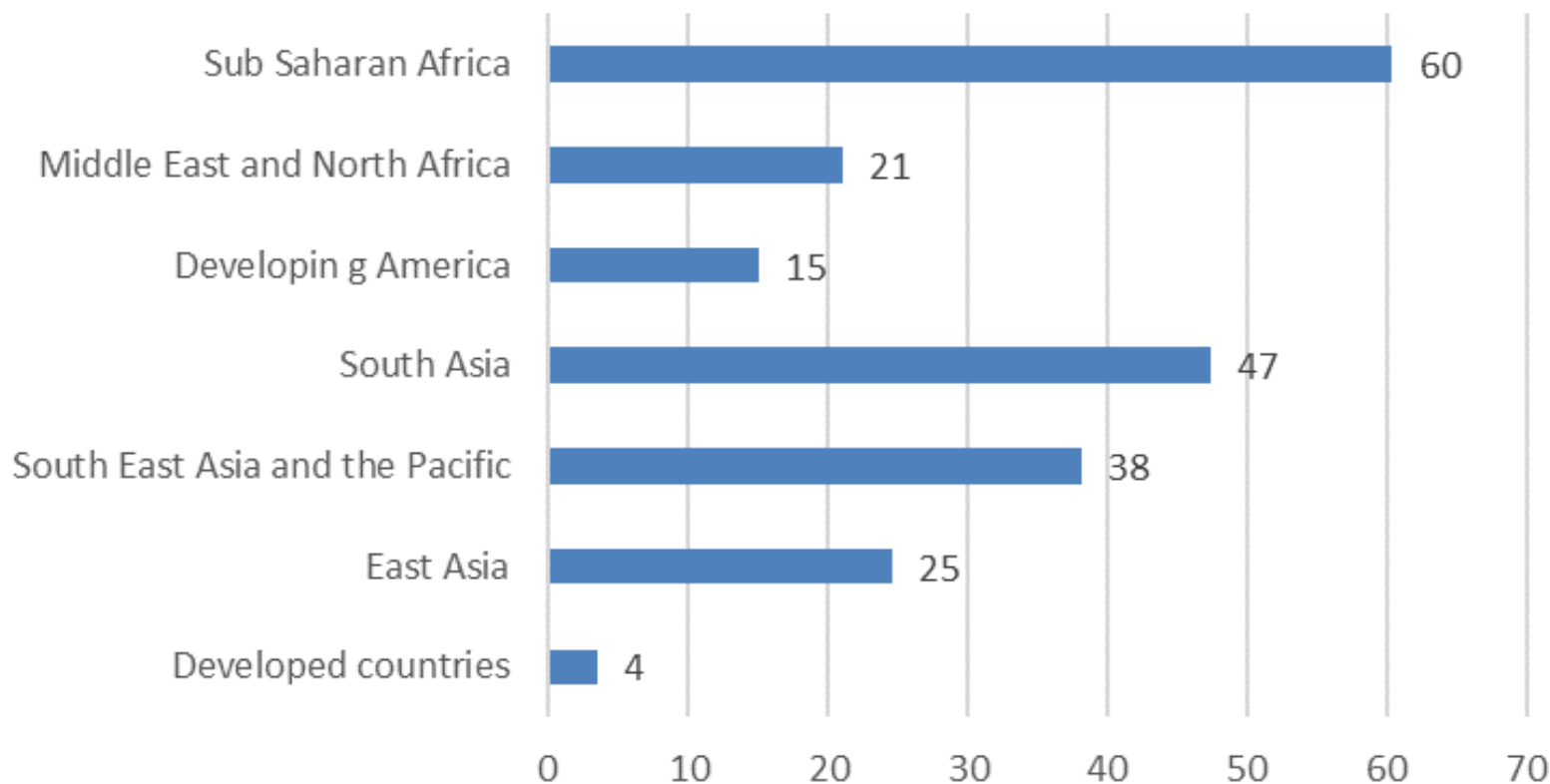
# Agriculture generates almost 1 billion jobs worldwide → appr. 1/3 of total employment ...



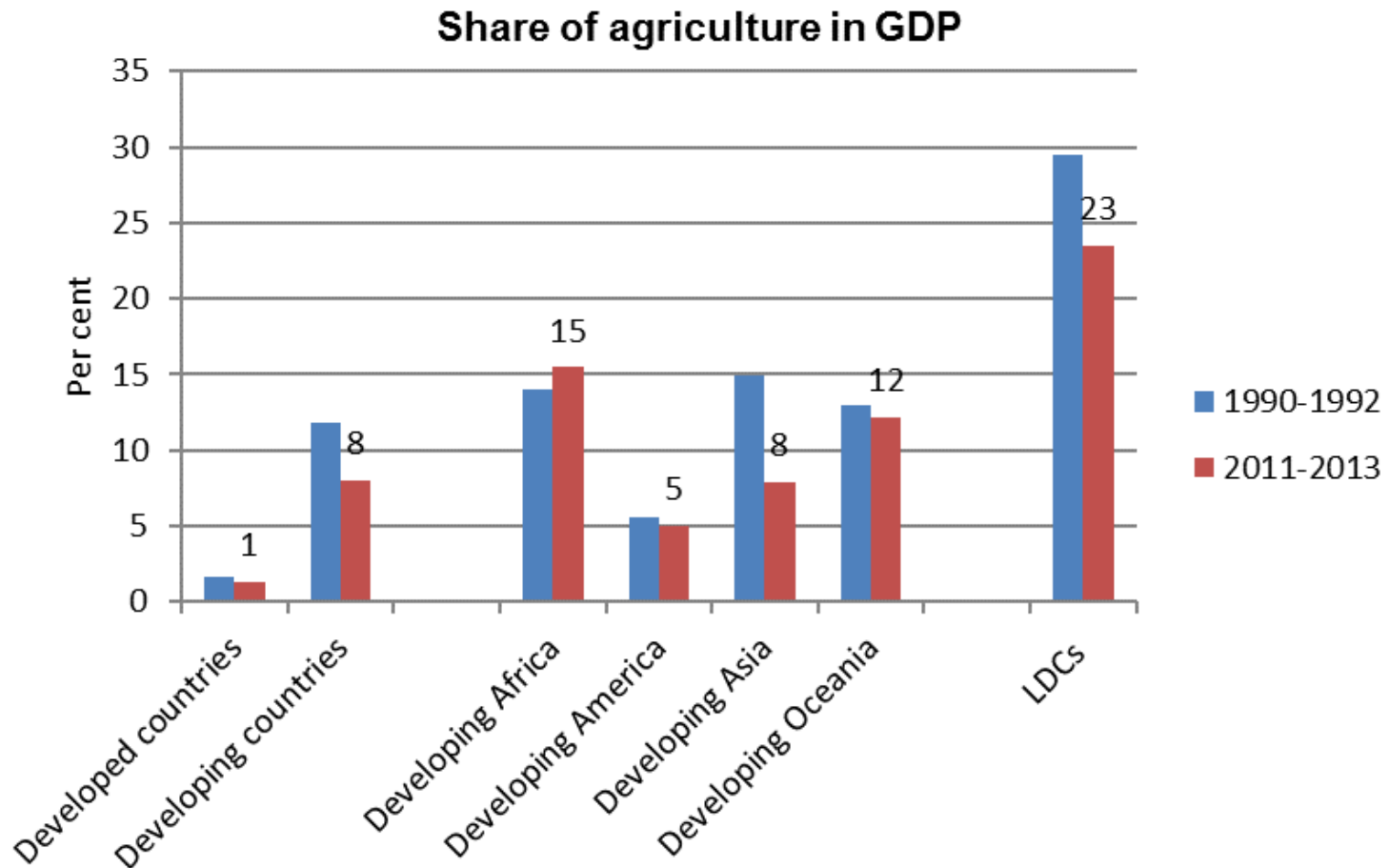
---

## ... and is especially critical for Sub Saharan Africa and South Asia

Share of agriculture in total employment, 2013 (%)



## However, agriculture contributes a lower share of GDP

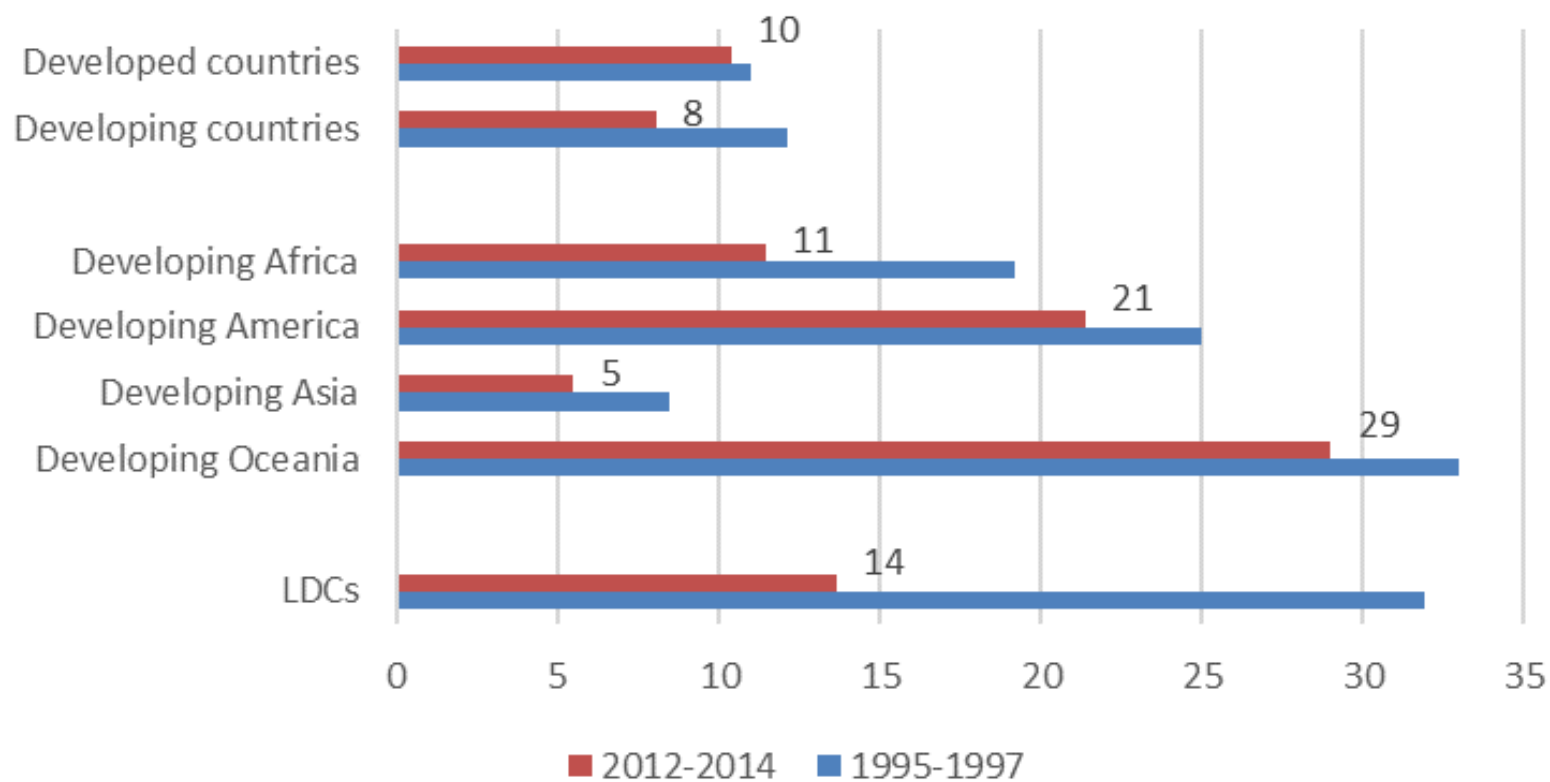


→ Therefore, agricultural productivity is a concern



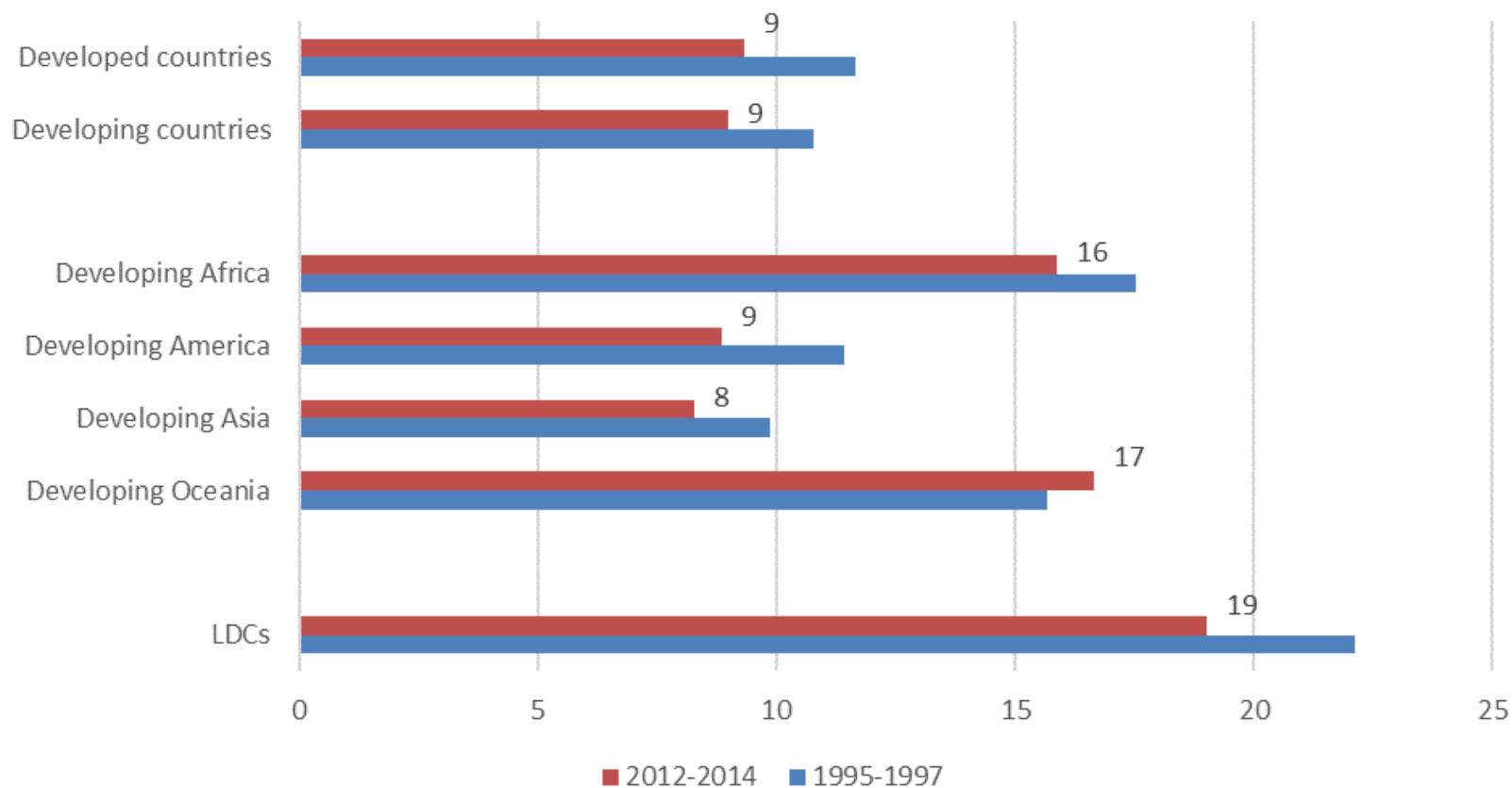
## Agriculture plays a role in generating exports...

Share of agriculture in total exports (%)

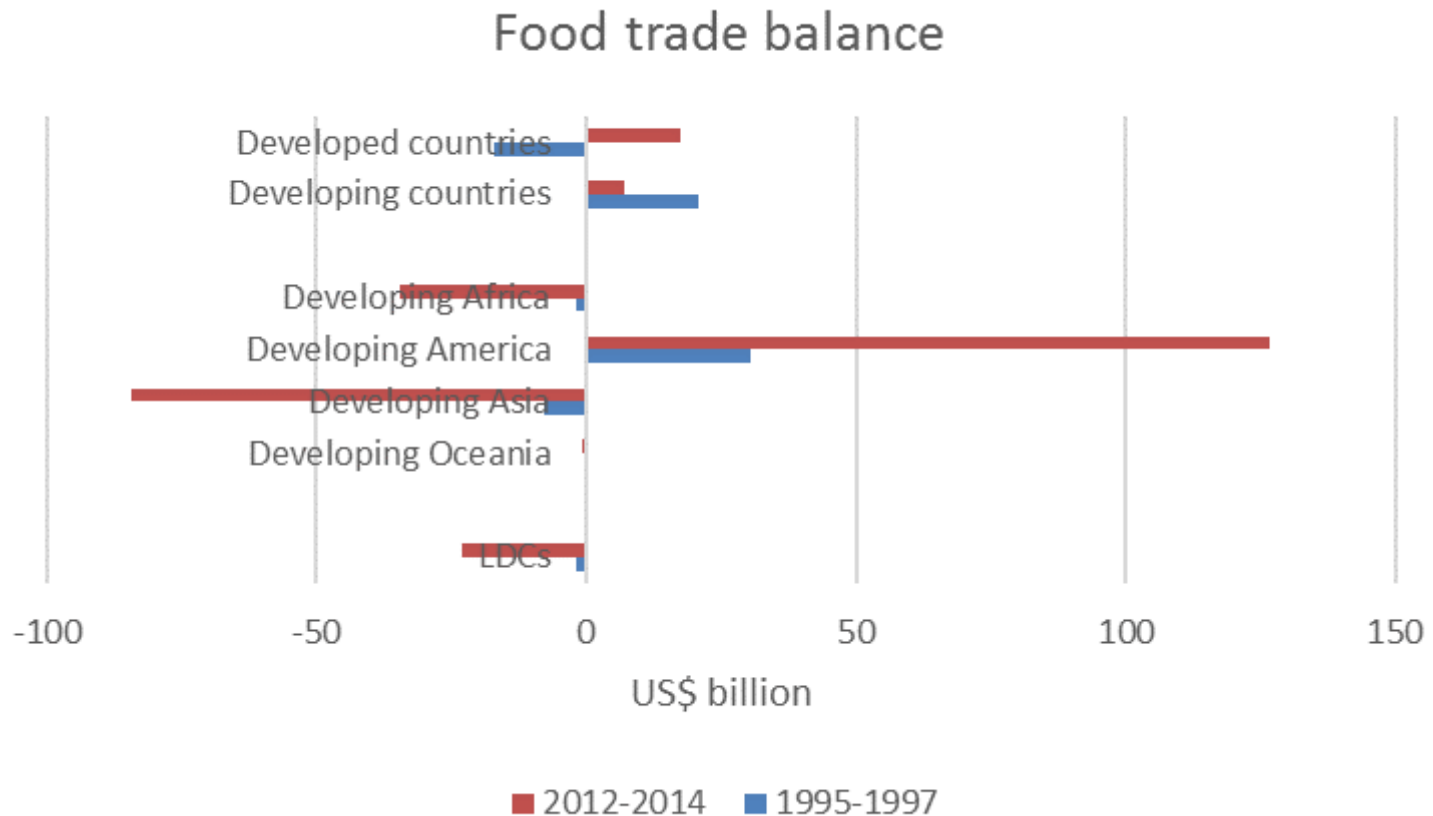


## ... and imports

Share of agriculture in total imports (%)



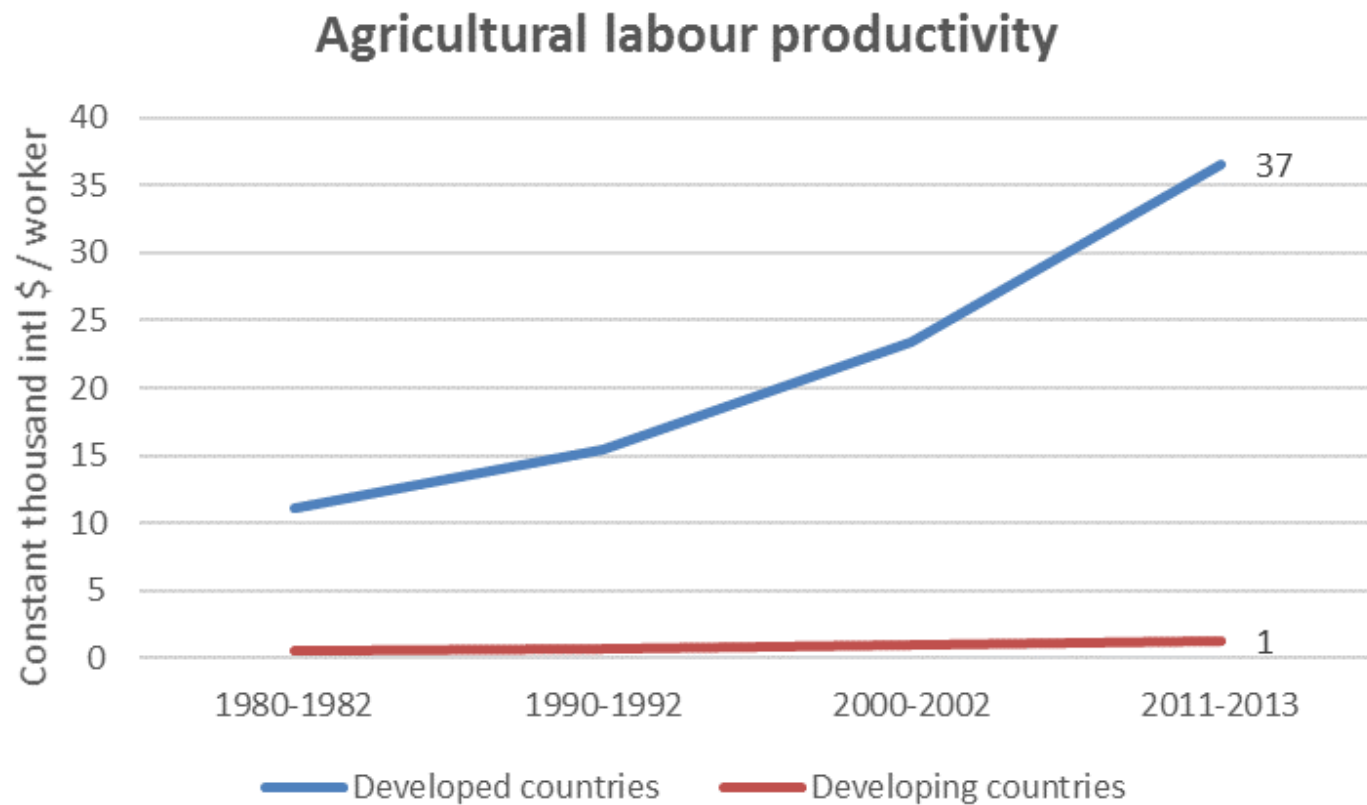
## The food trade balance varies strongly among regions...



... which has implications for food security



## Low levels of agricultural labour productivity in developing countries...



---

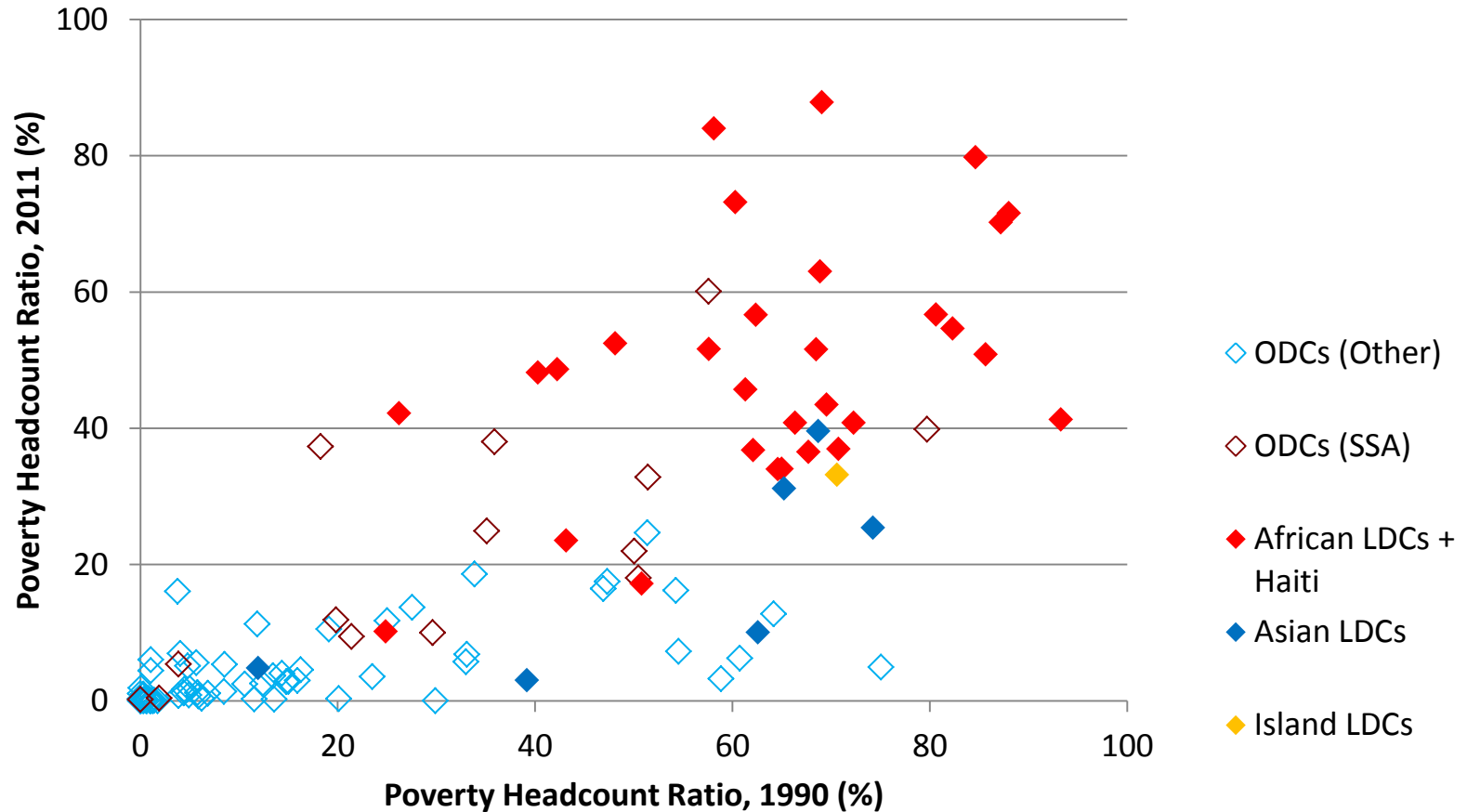
## ... has major implications

- It is a crucial determinant of poverty
- It is a major factor in international income inequalities



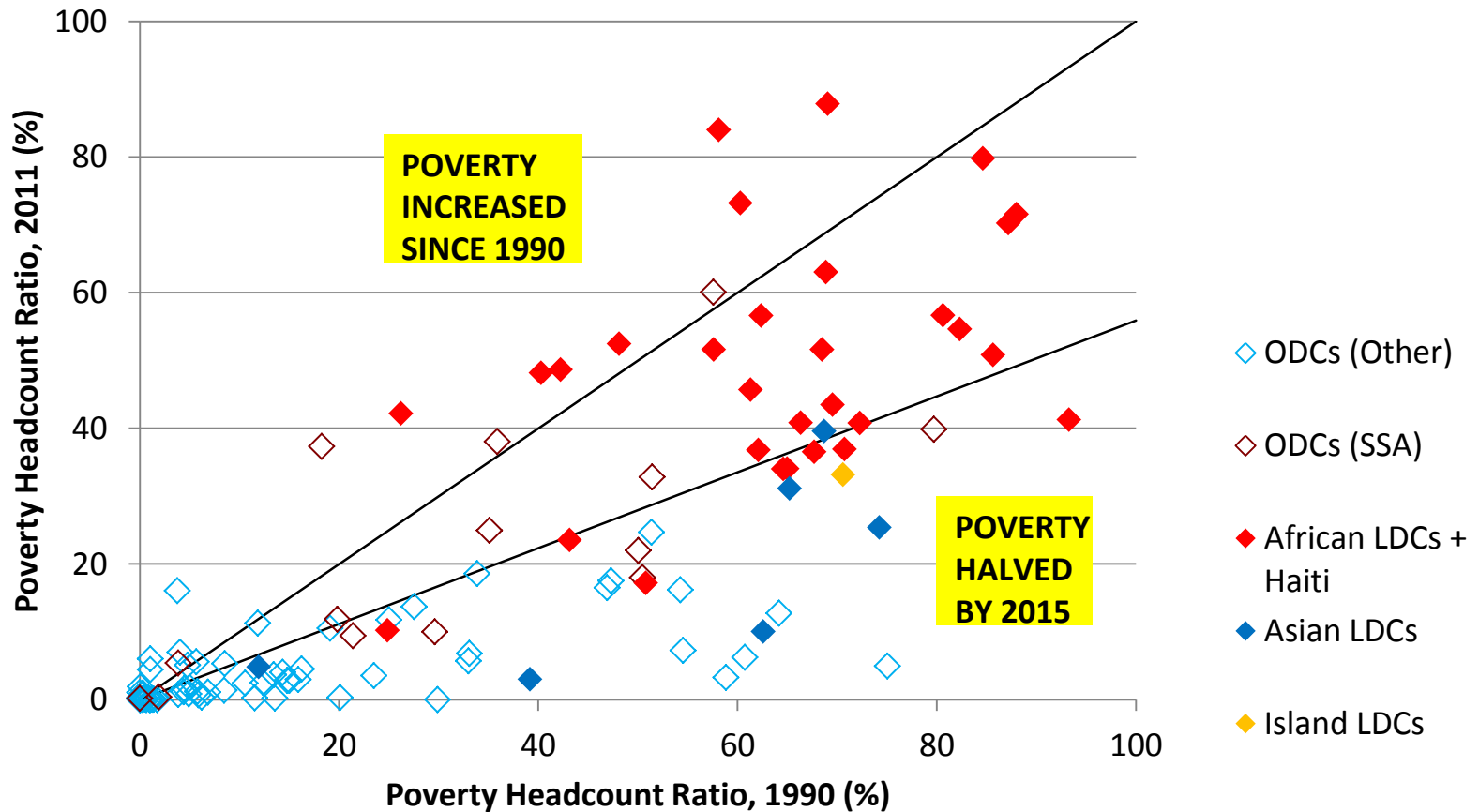
# Poverty is much higher in LDCs....

Poverty Headcount Ratio, 1990 and 2011 (%)



# ...and falling most slowly (if at all)

## Poverty Headcount Ratio, 1990 and 2011 (%)



---

## This presentation

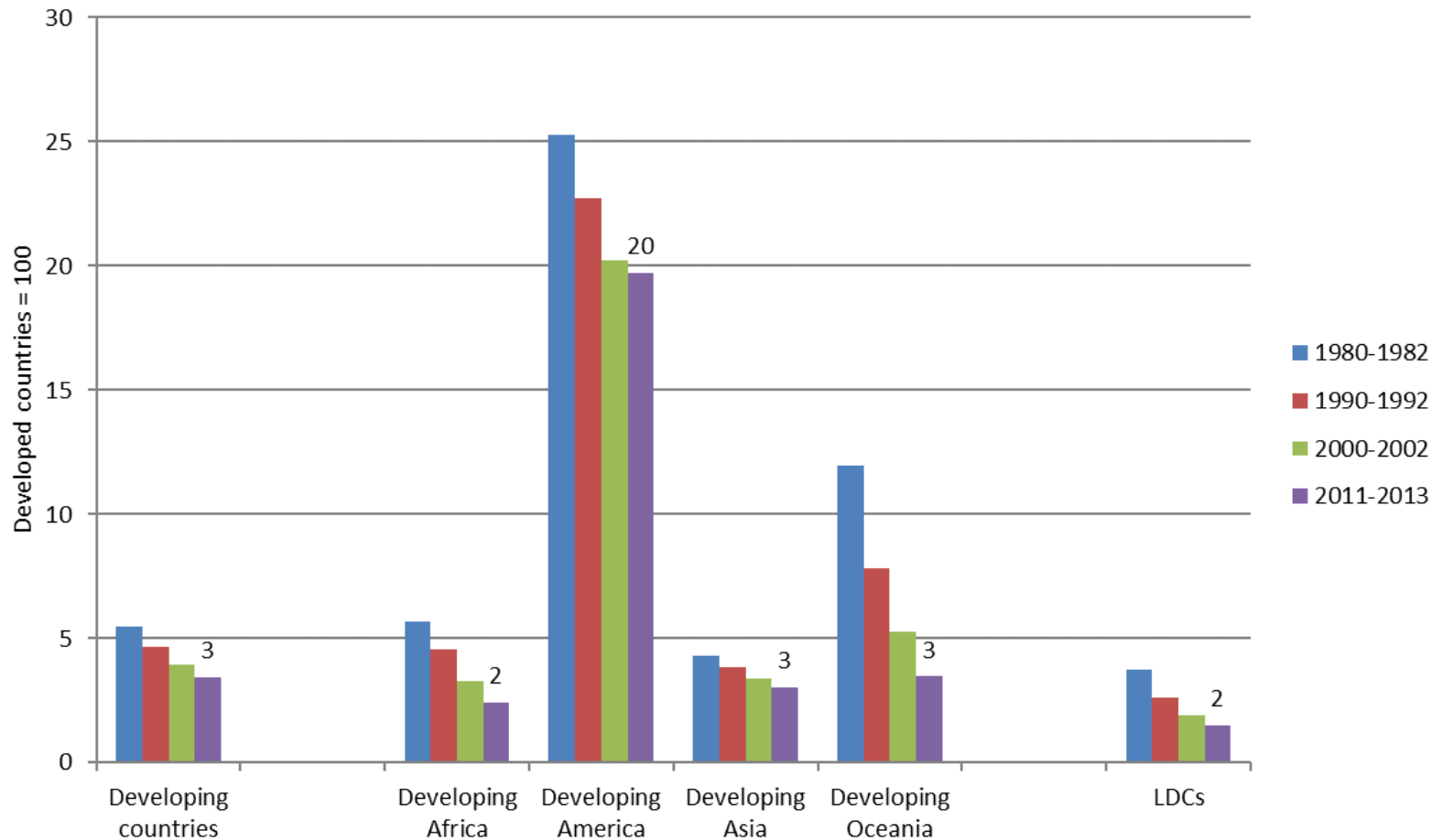
1. The importance of rural areas and agriculture
- 2. Agricultural productivity**
3. The gender dimension
4. Implications of the SDGs





# Wide international agricultural labour productivity gap

## Agricultural labour productivity



---

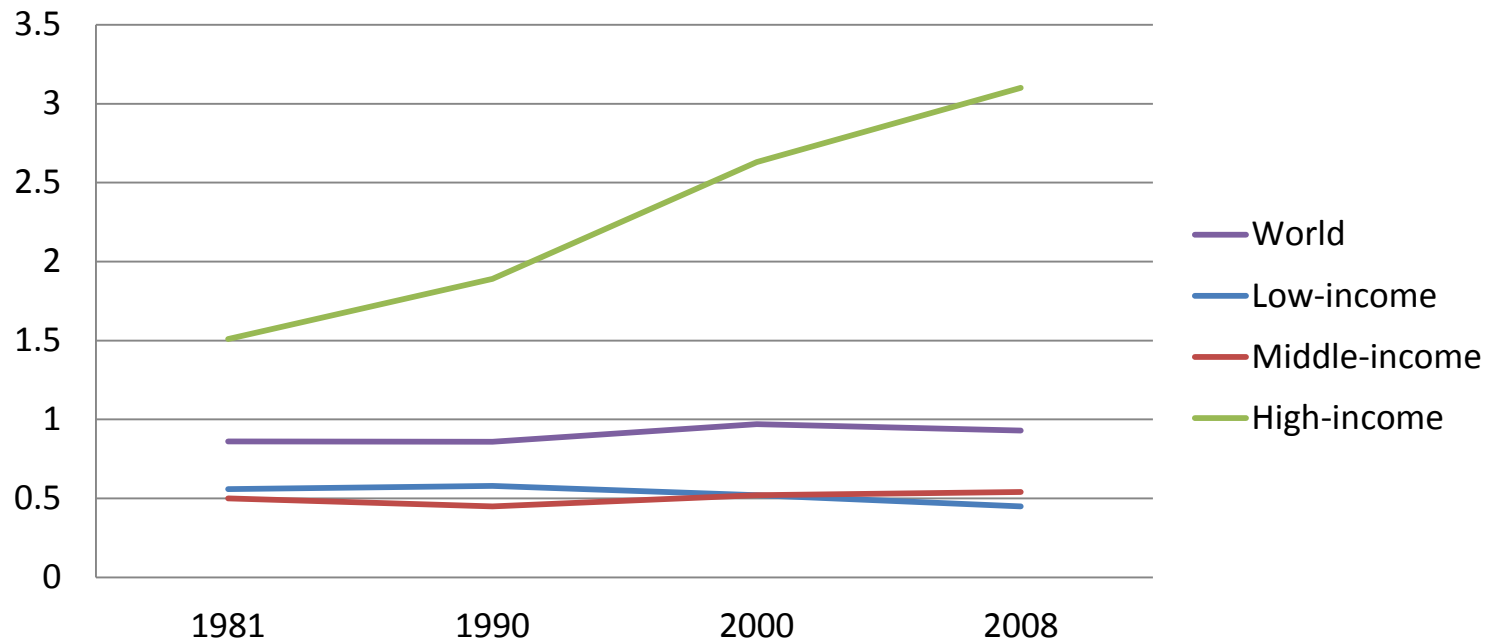
# Determinants of agricultural productivity

- **Quantity of conventional inputs, irrigation**
  - Low in African and island LDCs; higher in Asian LDCs
- **Technology - R&D; agricultural extension services**
  - Greater agroecological diversity makes this more problematic in Africa than in Asia
- **Human Capital - education, health, nutrition**
  - Evidence suggests minimum 4 years' education needed
- **Public investment and policies - knowledge-building, infrastructure**
- **Agroecological conditions - climate change**



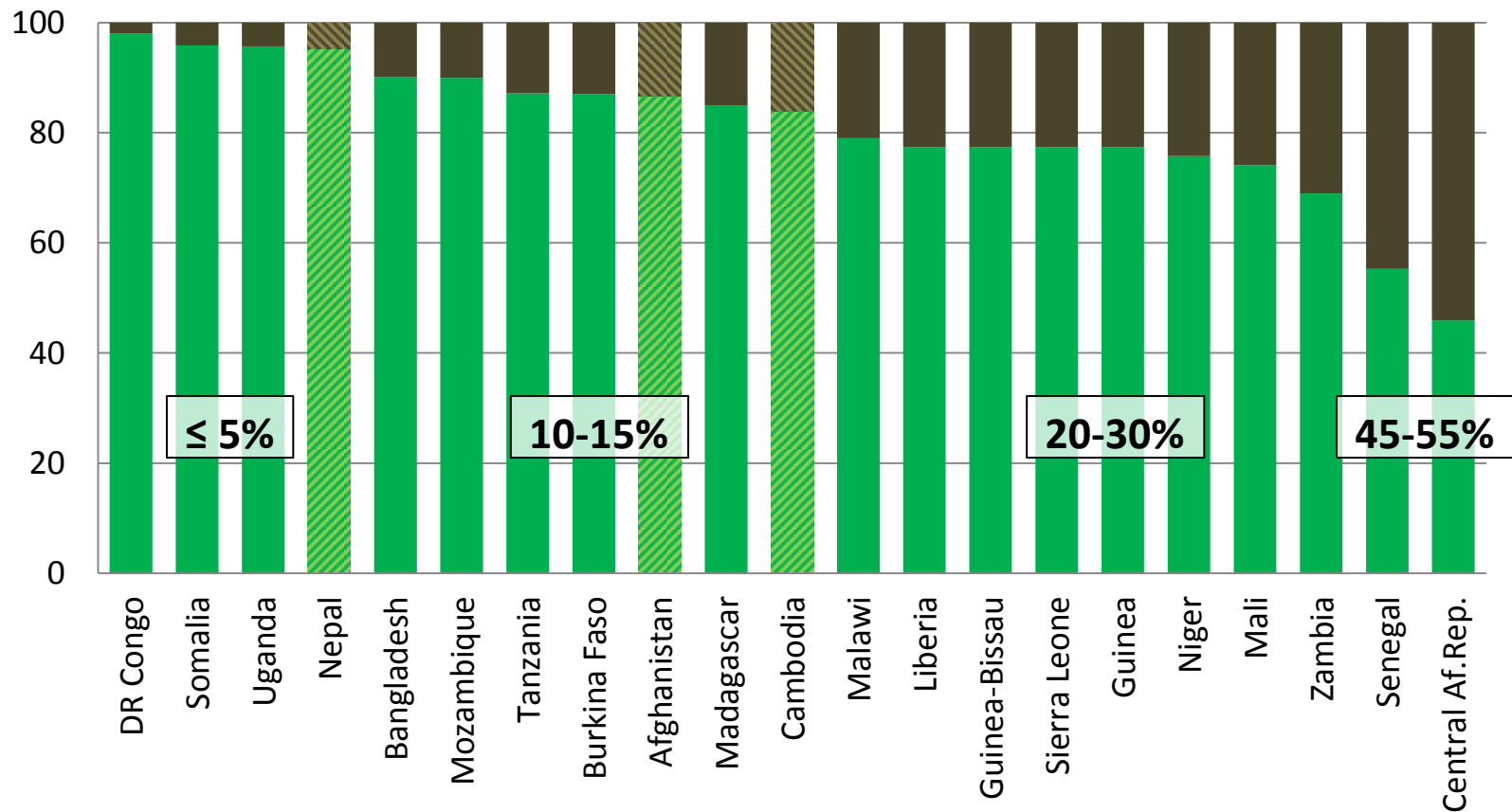
# Agricultural R&D spending has fallen in poor countries, whilst growing elsewhere

**Public Expenditure on Agricultural R&D (% of agricultural GDP)**



# Climate change impacts vary widely, but are very high for some countries

Estimated Climate-Related Agricultural Losses by 2080s  
(% of 2003 output)



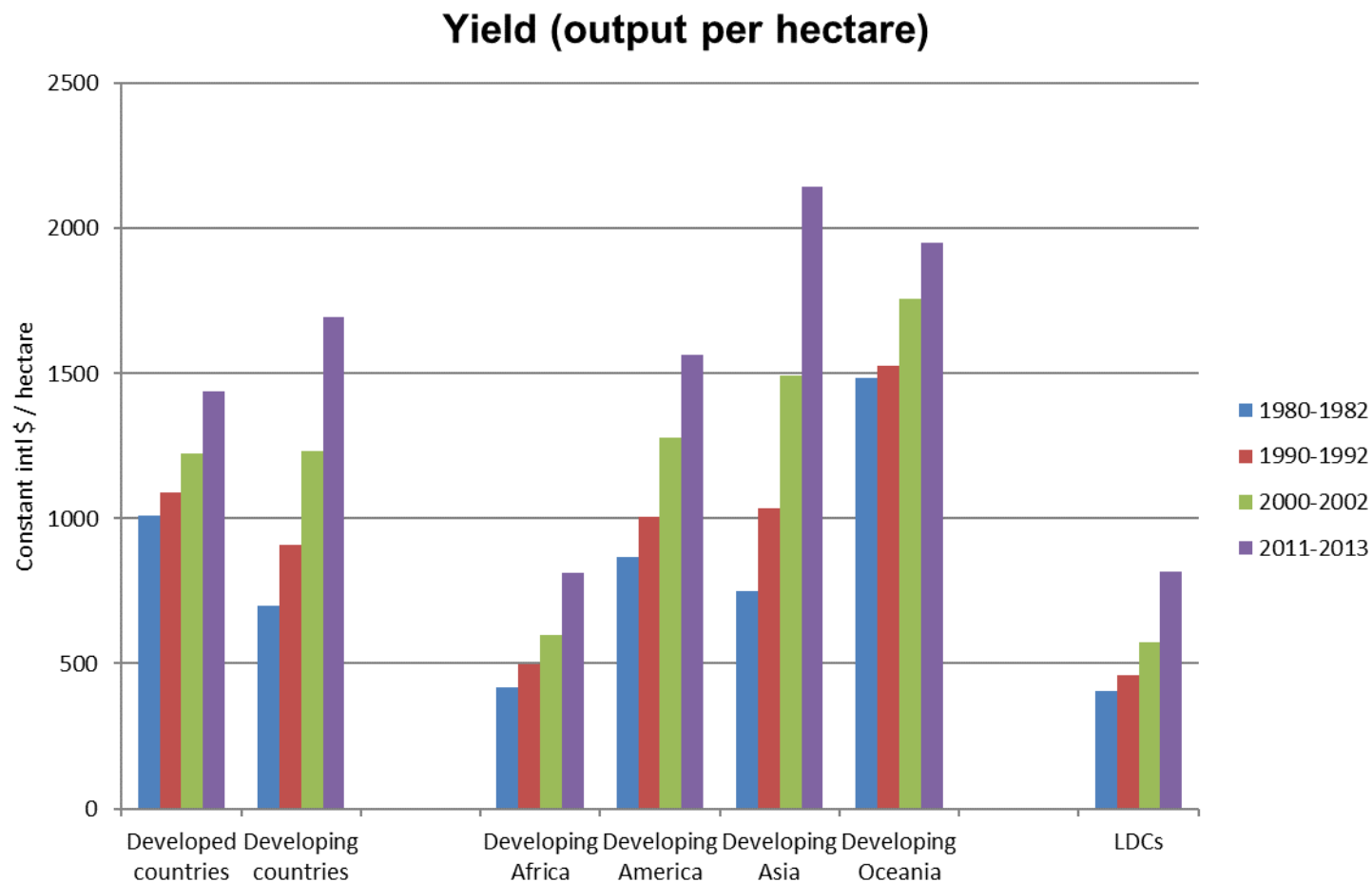
---

**Agricultural labour productivity is the result of:**

- **Yield**
- **Land / labour ratio**

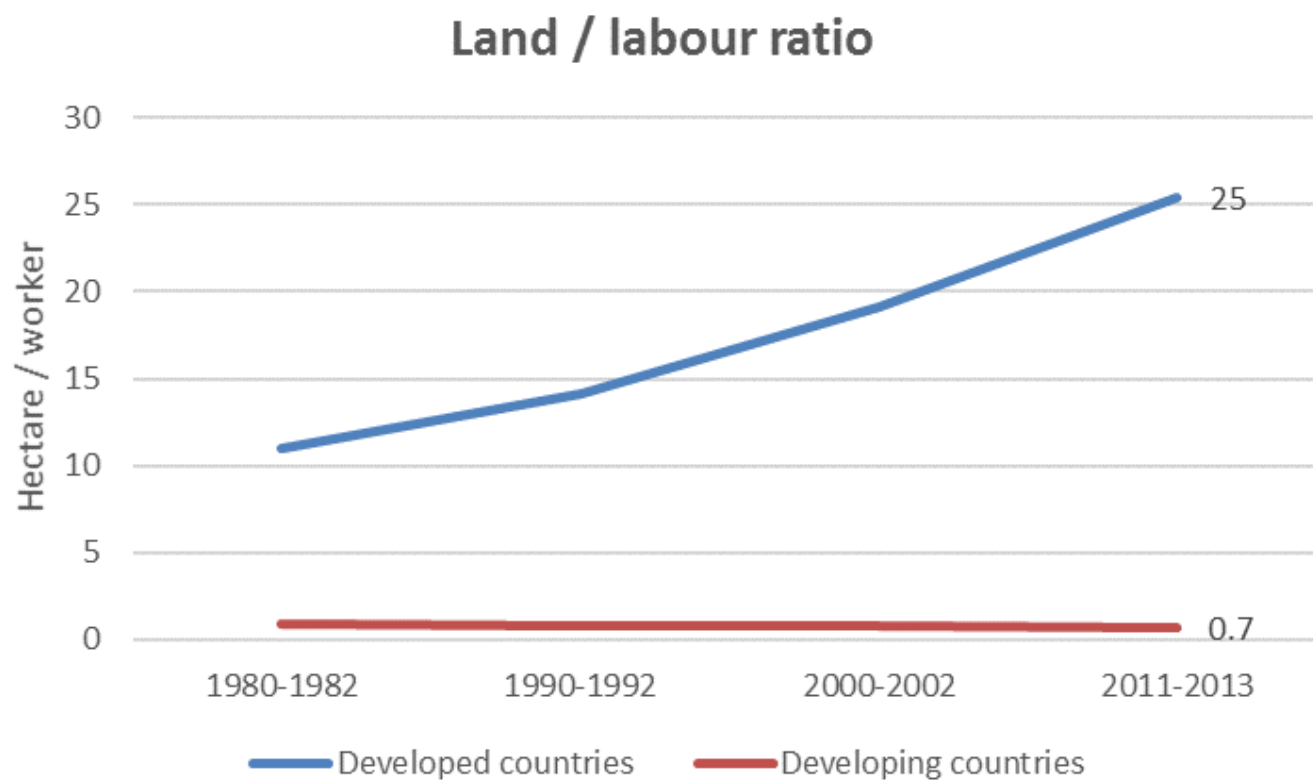


# There has been some catch-up in yields...



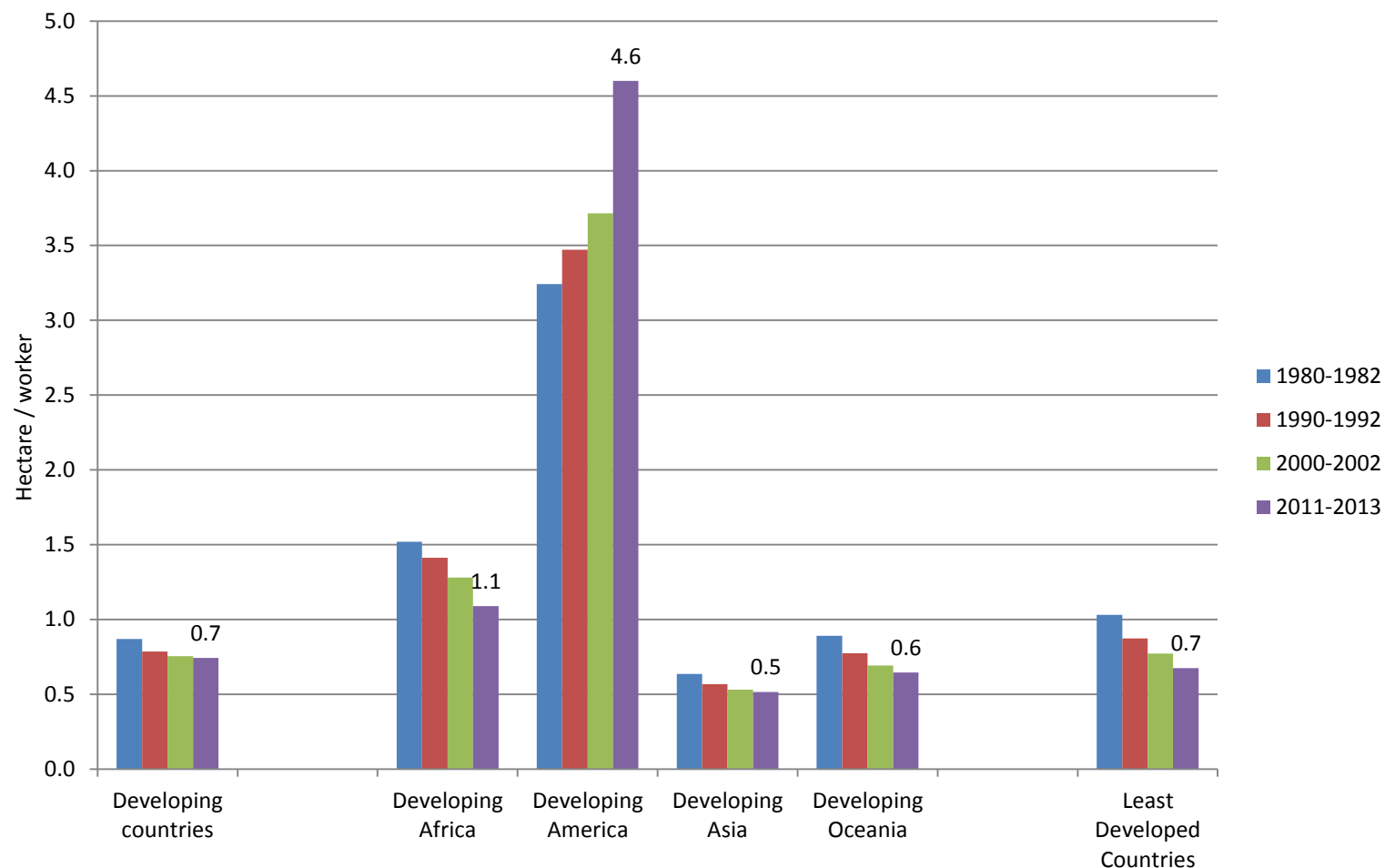
---

... but there is also demographic pressure on land...



... especially in some developing regions

Land / Labour ratio





---

## This presentation

1. The importance of rural areas and agriculture
2. Agricultural productivity
- 3. The gender dimension**
4. Implications of the SDGs



---

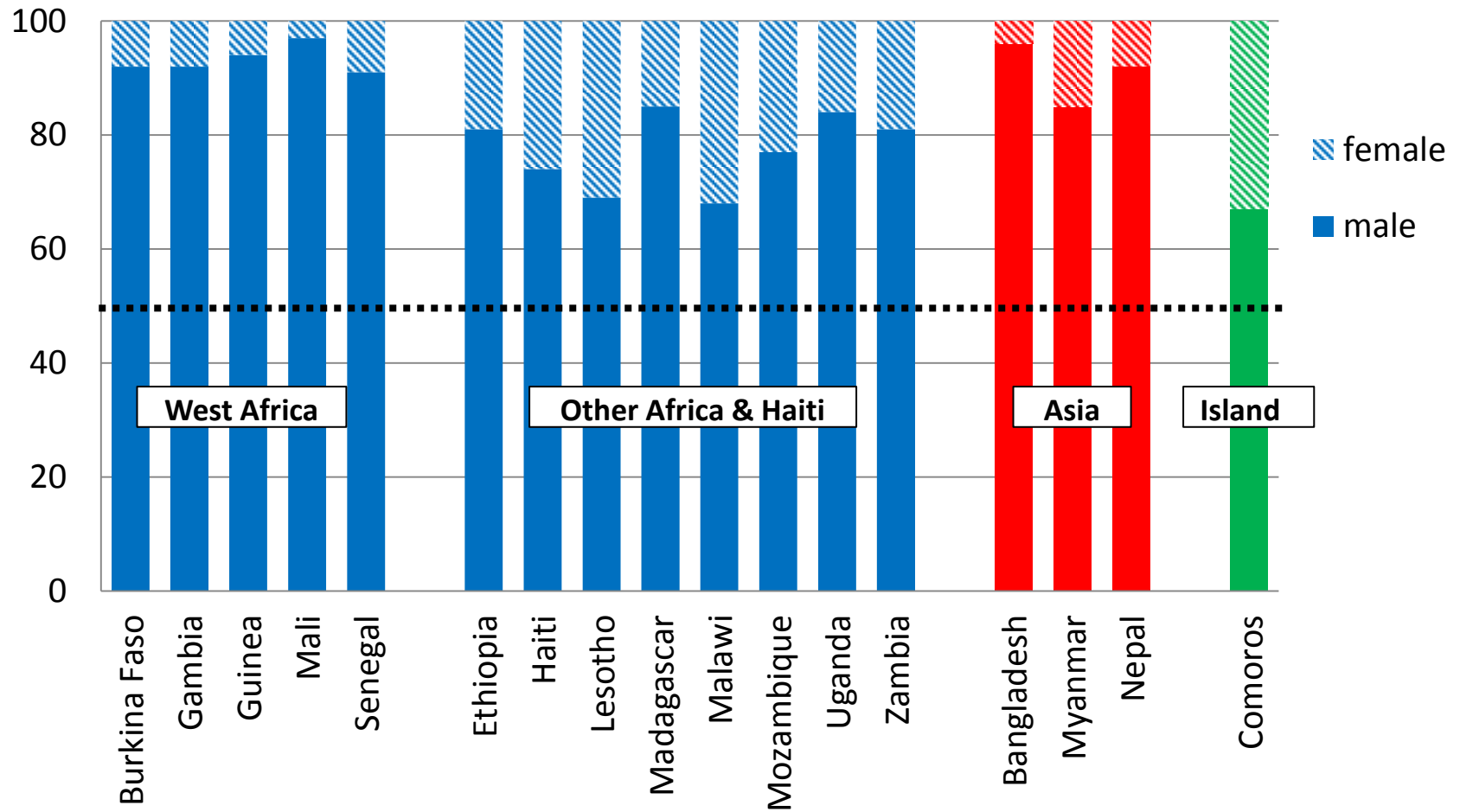
# Gender constraints

- Women are around half the rural and agricultural workforce
- But they face major additional constraints
  - Double burden of care and productive work
  - Disproportionate share of (unpaid) family labour
  - Limited control over commercial proceeds from agriculture and non-farm activities
  - Limited access to finance, markets
- Relieving these constraints can make an important contribution to transformation

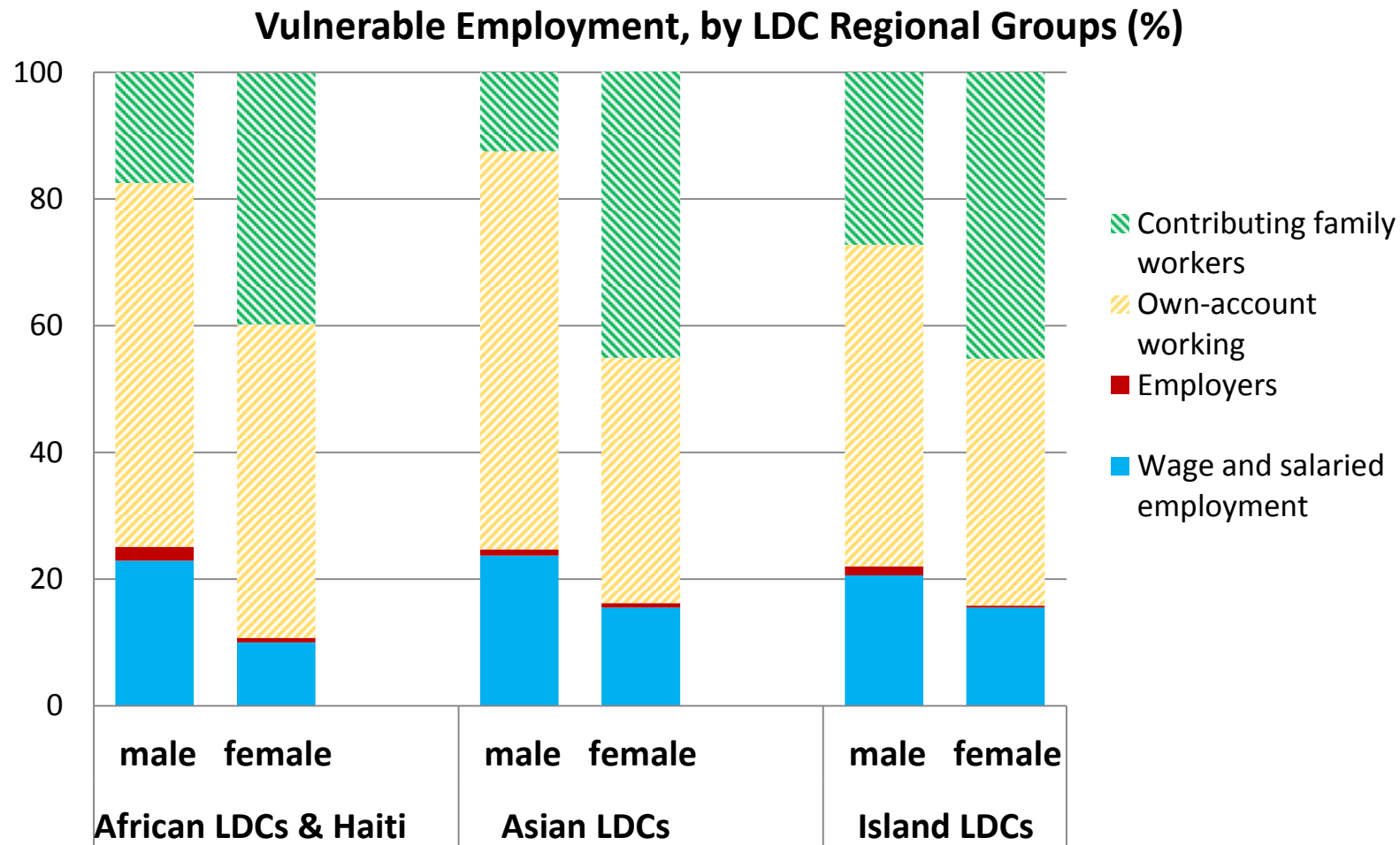


# Women's access to land is limited by customary law and practice....

Agricultural Landholders by Gender (%)

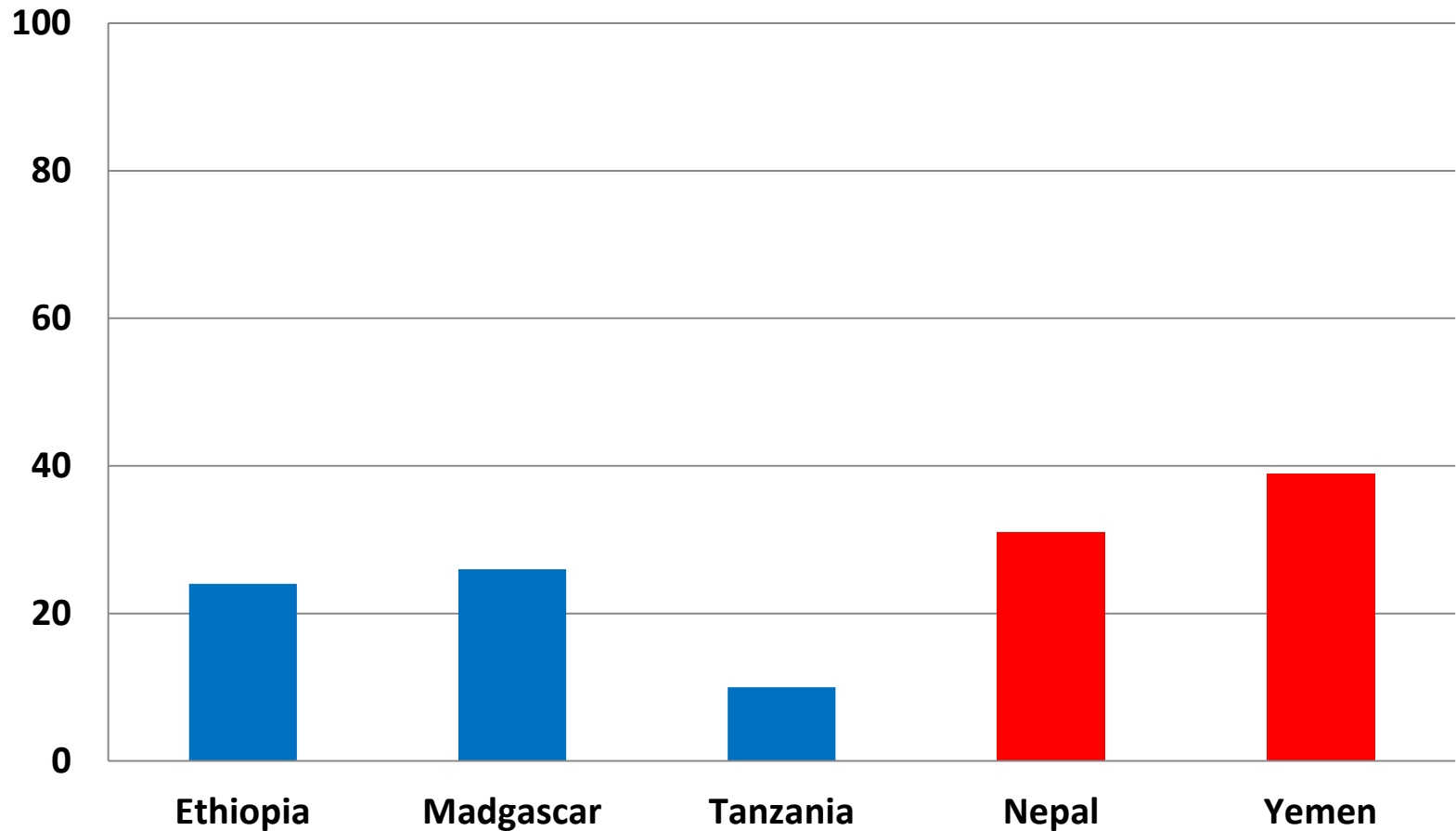


# ...they are more likely to be in vulnerable employment...



...and there are large gender gaps in wages

Gender Wage Gaps in Selected LDCs (%)



---

## This presentation

1. The importance of rural areas and agriculture
2. Agricultural productivity
3. The gender dimension
- 4. Implications of the SDGs**



---

# The Agenda 2030 for Sustainable Development and the Sustainable Development Goals

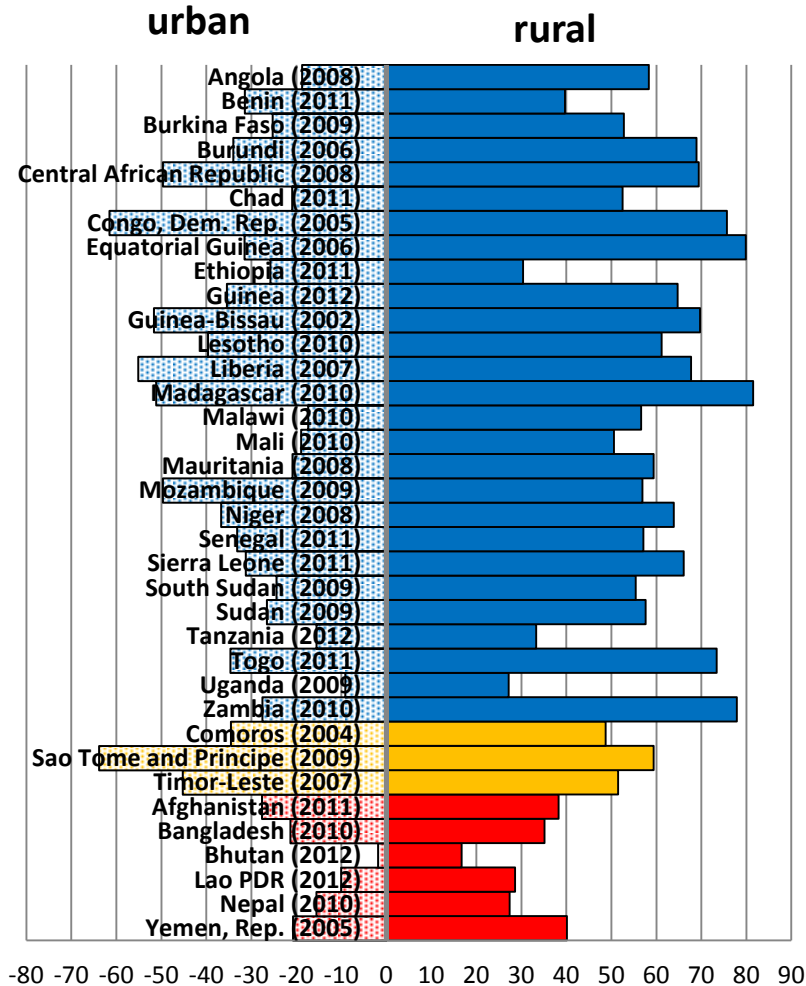


Have major implications for rural areas in developing countries  $\Rightarrow$  there is where human development shortfalls are widest



# Poverty rates are twice as high in rural areas as in towns and cities...

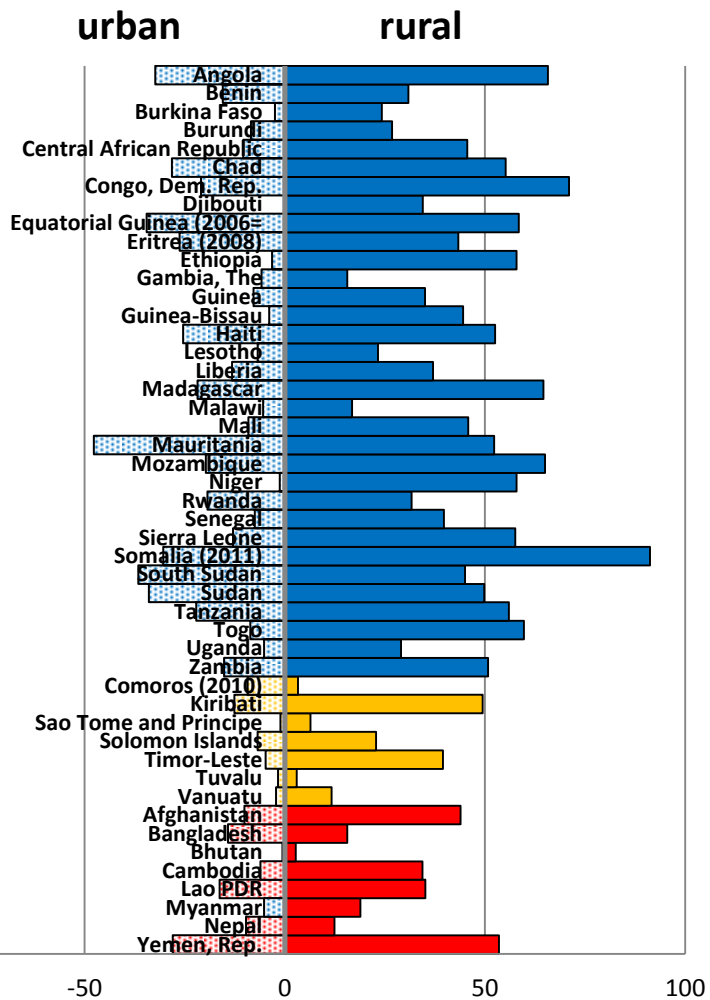
## Poverty Headcount Ratio



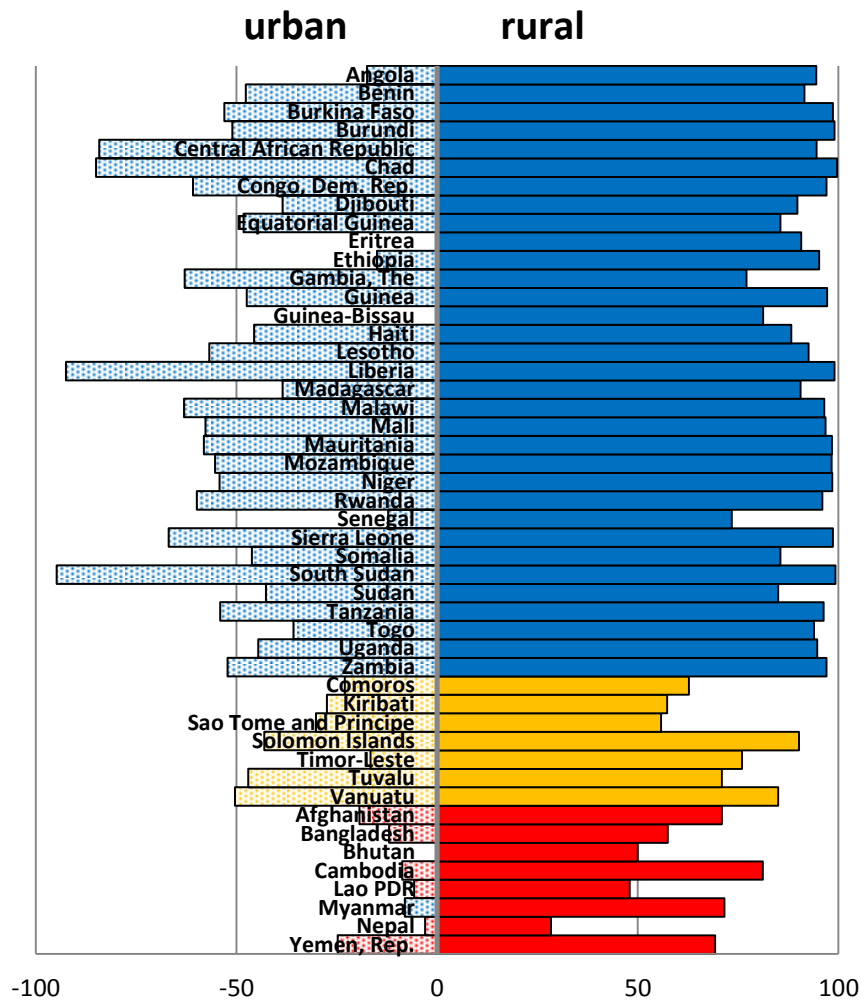


# ...and infrastructure gaps are much wider

## Population without Access to Water



## Population without Access to Electricity



---

# Structural transformation

Achieving the SDGs will require

- The structural transformation of rural areas
- The diversification of rural economies



---

# Thank you



**COURSE ON KEY ISSUES  
ON THE INTERNATIONAL  
ECONOMIC AGENDA**

---

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**UNCTAD**

