

UN ECOSOC Coordination Segment

7-9 July 2008

New York

Wednesday 9<sup>th</sup> July

Round table discussion on the theme:

Coherence: Strengthening the normative and operational link in the work of the UN  
on rural employment

The ILO recognises the importance of rural development for addressing the challenge of achieving the Millennium Development Goals. In particular we stress the need to address the crucial role of rural employment for poverty reduction.

In this regard, the ILO Governing Body chose the promotion of rural employment for poverty reduction for general discussion at the International Labour Conference last June. The Conference agreed a framework for a comprehensive strategy to promote productive employment and decent work in rural areas and developed a programme of work to support this strategy.

The challenge of addressing rural poverty has risen on the political agenda both nationally and globally. Factors such as the persistence of poverty in rural areas, urbanization, globalization and climate change – and most recently, rapidly rising food prices – have served to focus attention on the challenge of rural poverty reduction. The Millennium Development Goals, especially Goal 1 on the eradication of extreme poverty and hunger and the global goal of achieving decent work for all will not be achieved unless rural poverty is reduced.

Globalization has had far-reaching impact on the world economy, creating uneven patterns of growth in a rapidly changing economic landscape. For example, global supply chains in the food sector offer opportunities for producers to sell their products internationally, whereas barriers to trade continue to limit market access for a wide variety of agricultural products. One of the major challenges for public

policy is to create the conditions that will enable the poor, both in urban and rural areas, to benefit from globalization, rather than to be penalized by it.

Three quarters of the world's poor live in rural areas where decent work deficits are typically severe. Labour market institutions, organization and representation tend to be weak. Underemployment is widespread and incomes are low. Access to social protection is extremely limited. Rural workers are often vulnerable, they are not fully covered by national labour law and, more broadly, their rights are often not realized.

A paucity of economic opportunities and under investment in rural areas, together with poor infrastructure and public services and, in many cases, the prevalence of weak governance and underdeveloped markets compound the difficulties incumbent on working life in rural areas.

There are common and particular features to the world of work in rural areas. Among these are the predominance of agriculture, the important and in many places, growing role of women in the sector (as noted by the Commission on the Status of Women at its 52<sup>nd</sup> session in 2008), the prevalence and importance of seasonal and climatic factors, the prevalence of informal work and family labour, dependence on natural resources and, in some contexts, a high incidence of labour migration and significant remittance flows.

*During the tripartite discussion at the ILC, it was noted that:*

The promotion of rural employment must take place within the overarching framework of sustainable development - as noted by the Commission on Sustainable Development - giving due importance to the social, economic and environmental dimensions to development. The promotion of decent work calls for an integrated approach grounded in the Decent Work Agenda. The four pillars of decent work – employment, rights, social protection and social dialogue – are recognized as interdependent and mutually reinforcing parts of a whole. Decent work provides an organizing framework for addressing the multiple challenges of pro-poor employment.

Rural economies are diverse and complex. Work in rural areas takes many forms and over time it is common for workers to undertake a variety of income generating activities both on and off farm. Much work takes place in the informal economy and work opportunities often call for labour mobility, including to urban areas. Thus, the term “rural labour market” suggests a unity that is typically absent in practice.

However, rural labour markets are often characterised by relatively unskilled labour, casual work and frequent periods of underemployment leading to the prevalence of low productivity, low wages and weak bargaining capacity. In rural areas, opportunities for decent and productive employment are often limited. There is an urgent need for policies to develop skills, technology and employability in rural areas, to promote sustainable enterprises and better labour market regulations, institutions and policies.

Agriculture is usually the mainstay of most rural economies and can be an engine of economic growth, poverty reduction and social progress. Because increased per capita agricultural output and value added tend to have a disproportionately positive impact on the incomes of the poorest, and because of its strong linkages with non farm activities, agriculture and rural development are key to pro-poor growth.

Increasing diversification and agricultural productivity through technical progress and investment is central to poverty reduction. For this to happen, agricultural support services need to be tailored to serve the needs of small scale farms that engage the bulk of the rural population and account for most food production in developing countries.

New sources of demand, especially for certain high value products, and the overall trend towards greater global integration, offer opportunities and challenges for rural employers and workers. Notwithstanding the potential of exploiting new market opportunities, in many countries, the production of food for local consumption remains the primary focus. Innovative measures are required to ensure that all small farmers have access to local markets. Strategies should be developed to ensure access to land and water for the development of food production.

Because national and sub-national contexts are diverse, there are no one-size-fits-all policy responses to the challenge of addressing decent work deficits and rural poverty. Rural and urban spheres are increasingly interconnected and interdependent, making it problematic to design policies exclusive to rural areas. Employment and poverty in rural areas are multifaceted and this calls for multifaceted policy responses.

*On the basis of tripartite consensus, it was concluded that:*

The ILO has a vital role to play in addressing rural employment for poverty reduction due to its mandate covering the world of work and its unique tripartite structure, which constitutes a comparative advantage in the multilateral system. The Conference called for the ILO to commit to develop and implement a strategy on rural development and rural employment in line with its four strategic objectives in relation to social and economic issues in rural areas and to coordinate efforts with other intergovernmental agencies at both the international and country levels in order both to achieve greater

DRAFT  
H.E. Mr ZDZISLAW RAPACKI

policy coherence in the multilateral system and to deliver as one. The growing collaboration with the Food and Agriculture Organization of the United Nations (FAO) is one vehicle through which the ILO is working in this regard.

*In the context of today's roundtable discussion, I note:*

In strengthening the link between the normative and operational arms of the UN and to further enhance UN system wide coherence, I encourage all relevant organisations of the United Nations system to collaborate in using, adapting and evaluating the application to rural areas of the Toolkit for Mainstreaming Employment and Decent Work developed by the ILO and endorsed by the United Nations System Chief Executives Board for Coordination.