

Our Common Goal: International Experience in Poverty Reduction

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Foreword

March 15, 2018

China's incredible achievement of lifting more than 800 million people out of poverty has received global recognition. Having already accomplished so much, China remains determined to set a high bar and is now pursuing two new ambitious poverty alleviation goals. The first, to eliminate absolute income poverty by 2020, ten years ahead of the global 2030 Sustainable Development Goal target and, the second, to then redefine and further reduce poverty to a level commensurate with China's vastly improved level of development.

One of the most impressive features of China's rapid development has been the way policy makers have drawn on international experience in overcoming the daunting challenges they faced. These international lessons were used as a valuable resource, carefully reviewed and then, when appropriate, adapted thoughtfully to China's circumstances. In pursuing its new poverty agenda, China can again make use of the vast amount of international experience that exists in this field.

As China has changed in the last 40 years, so too has the world's understanding of and approaches to poverty reduction. The global commitment to eliminate poverty, first expressed in the Millennium Development Goals and now in the Sustainable Development Goals, has mobilised a powerful international effort to create new policies and systems to reduce poverty in all countries, including those in the middle and upper income groups. The concept of human development became prominent during this period, and the world began assessing development not only in terms of income but in terms of outcomes and opportunities. The Human Development Index and the Multi-dimensional Poverty Index are now widely used in measuring development status and progress.

The global 2030 Sustainable Development Agenda, approved by 190 nations at the United Nations in 2015, fully integrates social and environmental

sustainability into the global development agenda, in response to the threats posed to humanity's future by climate change, environmental degradation and rising disparities. The heart of the Sustainable Development Goals is the concept of "Leaving no one behind", a strong pledge to address the widening inequalities that have accompanied economic growth in recent years. In this, as in so many ways, there are close parallels between the global agenda and China's national goals for the coming years.

I hope the international experiences presented here, drawn from the work of many United Nations and other development agencies, as well as from the work of scholars and governments, will be of use to China as it continues along its path towards a sustainable and prosperous future. I would also like to thank the many UN colleagues, and our partners at the Ministry of Commerce and the International Poverty Reduction Center in China, for their support and contributions in the preparation of this book.



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Acknowledgements

This book was prepared under the overall coordination of the Department of International Affairs (DITEA) of the Ministry of Commerce, by teams from the International Poverty Reduction Centre in China (IPRCC), the United Nations Development Programme (UNDP), and the Agricultural Research Center of the Chinese Academy of Agricultural Sciences (CAAS). The contributors to this book are especially grateful to DITEA and the State Council Office for Poverty Alleviation for their care and guidance in the preparation of this book. The book was jointly coordinated by DITEA, IPRCC, and UNDP. It would not have been completed in such a limited time without a strong collective effort.

We thank the authors, Bill Bikales, Shuwen Zhou, Yuan Zheng, Li Wei, Tianqi Lang, Greta Lai, Tuulia Koivistoinen, Yuezhu Zhai and Kexiong Yang from UNDP; and Fengying Nie, Jieying Bi, Yaozu Xue, Haixia Zheng, Jiaqi Huang, Rui Gu, Tinghe Deng, Chang Duan, and Yu Zhao from CAAS, for their expert knowledge and professionalism.

Special thanks should also be given to the UN agencies in China who contributed project materials and photos to the book, as well as comments on various drafts. The agencies include the Food and Agriculture Organization of the United Nations, The International Fund for Agricultural Development International Labour Organization, United Nations Educational, Scientific and Cultural Organization, United Nations Population Fund, The United Nations Human Settlements Programme, United Nations Children's Fund, World Health Organization, United Nations Industrial Development Organization, World Food Programme, The United Nations Office for Project Services, and the United Nations Asian and Pacific Centre for Agricultural Engineering and Machinery.

Helpful comments were received from many peer reviewers at different stages of preparation of the book. In China these included Fangquan Mei, member of the

Steering Committee of the High-Level Panel of the former World Food Safety Commission, Xiaojian Fan, Director of the Consultation Committee of Poverty Alleviation Experts of the State Council Office for Poverty Alleviation, Xiangyong Tan, Party Secretary of Beijing Technology and Business University, Xiaoqing Xu, former Minister of Rural Affairs of the State Council Development Research Center, Jianjun Guo, Chief Financial Officer of the Industrial Development Fund in Poor Areas, Qi Zhang, Professor of the School of Economics and Resource Management, Beijing Normal University, Nan Jiang, Associate Researcher of the Rural Economic Research Center of the Ministry of Agriculture, Zhigang Chen, Researcher of the International Food Policy Research Institute (IFPRI), Lixia Tang, Professor of the School of Development, China Agricultural University, Yingchang Song, Professor of the Institute of Urban Development and Environment of the Chinese Academy of Social Sciences and Ruixiang Guo, former director of the UN Women's Department of Projects,. Peer reviewers from within the UN were Tim Scott, Almudena Fernandez and Devika Iyer of the Sustainable Development Cluster in UNDP Headquarters and Gankhuyag Uyanga of UNDP's Bangkok Regional Hub.

Anonymous reviews were provided by staff of the Comprehensive Department of the State Council Poverty Alleviation Office, the Sichuan Provincial Poverty Alleviation and Resettlement Work Bureau Project Center and the Xuyong County Bureau of Poverty Alleviation and Immigration.

The inputs received from all these sources, and from informal discussions with others including colleagues at the World Bank and Asian Development Bank, all helped improve the book greatly. Any remaining weaknesses or errors are the authors' sole responsibility.

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Executive Summary

Chapter 1. Introduction and Background

This book presents the vast experience gained internationally in addressing some of the most important poverty challenges that China will face in the coming years, both in the drive to eliminate extreme rural poverty by 2020 and in the effort to sustain and expand that achievement in the years after 2020. The examples presented cover a broad range of sectors, countries and types, from small-scale grass roots technical assistance targeting poor farming households in Low Income Countries (LIC) to major national policy reforms in health and social protection in Upper Middle Income Countries (UMIC). Some examples are cited from Upper Income Countries (UIC) as well. Many of the examples are drawn from the work the development agencies of the United Nations have undertaken with member nations around the globe. Many present the work of other development organisations, while others highlight government innovations in poverty alleviation.

The case studies illustrate innovative approaches to the design and implementation of effective poverty alleviation projects and policies. Which are the best ways to achieve effectiveness? Several key aspects where experiences have been successful include:

- Identifying and targeting poor households and vulnerable groups;

- Engaging poor households actively in programmes so that impact is maximised;
- Effective horizontal coordination across sectors and vertical coordination between different levels of government;
- Monitoring and evaluation of programmes, related to both their impact and financial management to reduce possible misuse of government funds.

Special attention is given to projects that address the close links between environmental sustainability and poverty alleviation.

China's own experience in poverty alleviation offers many lessons for the rest of the world, especially in terms of the need for a strong development-oriented state and for sustained inclusive growth. As China grew from a Low Income Country at the start of the reform and opening up era, to the robust Upper Middle Income Country of today, the lives of China's poor people have been improved enormously. Using the World Bank's USD 1.90/day extreme poverty line, the number of poor people in China fell from 835 million in 1981 to roughly 87 million in 2012. Without this reduction, the global Millennium Development Goal of halving the percentage of the world's population living in extreme poverty by 2015 would not have been reached.

Equally impressive today is China's determined focus to build on what has been accomplished and to pursue an ambitious poverty alleviation agenda in the future. However, these new goals pose new policy challenges and it is here that the lessons gained from international experience can prove useful.

What are those challenges? China's remaining pockets of absolute poverty often have conditions that make sustained improvements in living standards very difficult; sometimes at the individual or household level, such as people with disabilities, and sometimes at the locality level, such as remote mountainous areas that have not been fully integrated into larger markets and service networks.

Furthermore, the nature of poverty in an Upper Middle Income Country is very different from a Low Income Country, requiring new concepts and approaches. The population's expectations and the government's economic capacity

to meet the population's needs have all risen with economic development. Vulnerability is a central focus, requiring social protection and other systems that reduce the risk of people falling back into poverty when they suffer a shock. Relative poverty and inequality become more important problems than absolute poverty, as merely rising above the extreme poverty line is no longer seen as an adequate target even for the lower income portion of the population. Multi-dimensional- poverty concepts that capture non-income deprivations, such as poor quality housing, lack of education and poor health, become increasingly relevant. As urbanisation increases, so does urban poverty and this must be confronted in an entirely different social and economic setting than that of traditional rural poverty. As the population ages, and traditional family-based social safety nets weaken, poverty among the elderly also becomes a priority policy issue.

In all these areas, there is a considerable amount of international experience to consult. The effort to end extreme poverty has been at the centre of the global development agenda for the last 25 years, first during the Millennium Development Goals period from 1990-2015, and now under the 2030 Agenda and the Sustainable Development Goals, approved at the United Nations in 2015. While the bulk of global poverty reduction during the MDG period occurred in countries that were LICs in 1990, impressive results were also achieved in countries that had already attained MIC or UMIC status by 1990 and which have been addressing the new UMIC challenges that China faces.

During the MDG period the MICs of Latin America and East Asia, which started from lower initial poverty rates than China and India, also made impressive progress in further reducing poverty. Their experience offers useful lessons for the world's new MICs, as many have established quite advanced systems of social protection and other social services that cover both the relatively small number of remaining absolute poor and the larger number of vulnerable populations. These systems cover many of the population groups whose poverty the new MICs are confronting for the first time; the elderly, the urban poor, informal sector workers in both rural and urban areas, internal migrants, and others.

Environmental sustainability is now at the centre of the global poverty reduction effort, because poor households are the first and usually the most affected by almost all environmental problems, and are most exposed to the risks

of climate change. This is an area in which exchanges of experience between China and other countries can be extremely useful.

In September 2015, 150 world leaders attended the United Nations Sustainable Development Summit and adopted the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals. (United Nations, 2015)

China's 2020 goal of eliminating poverty and achieving a Xiaokang Society is closely aligned with the 2030 SDG Agenda. Having achieved the 2015 MDG poverty goal before the target date, China is striving to achieve SDG 1, "To end poverty in all its forms everywhere", in advance of the global target, which will be an extraordinary accomplishment.

Chapter 2. Poverty Reduction Through Inclusive and Sustainable Economic Growth

As China pursues an inclusive and sustainable growth agenda, promoting such development in the remaining poor rural areas is one of the Government's highest priorities. Chapter 2 presents four groups of case studies that are aligned with four of the priority industrial poverty alleviation components of China's 13th Five Year Plan, which are all aimed at the achievement of China's 2020 goal of eliminating extreme rural poverty. They are very much oriented towards rural poverty issues in areas where market linkages, infrastructure and services are still underdeveloped, and towards supporting China's push to overcome the final obstacles and to reach the remaining pockets of poverty that dot China's rural landscape.

The Agricultural Poverty Alleviation section of Chapter 2 presents case studies from projects implemented across the developing world by several United Nations agencies.

A key focus of many of these projects is introducing sustainable natural resource management into agricultural production. Several important examples of green agricultural production are presented, including an interesting project from Southern Gansu Province which featured an integrated approach to sustainable rural livelihoods, case studies on organic agriculture, community-based natural

resource management, and others. A major FAO programme supporting small farm development and sustainable resource management in Eastern Europe and Central Asia is also highlighted. The conventional belief that environmental concerns are an obstacle to rural development is disproved here; a variety of ways in which improved environmental management can lead to higher incomes and emergence from poverty are discussed. Other projects that supported green agriculture are also introduced, including organic agriculture that led to increased incomes for poor farmers, and community-driven natural resource management. The local people in poor rural regions know their land, their water, their local conditions and needs best of all, and successful programmes to strengthen resource management and improve livelihoods are almost always built on participatory approaches.

Because individual poor households in remote areas are often unable to access input and output markets, farmers' cooperatives can help build market access, and some projects focus on the establishment of such cooperatives. Some projects target strengthening the value chain for agricultural outputs, thereby increasing the income from production. Many case studies illustrate ways to improve agricultural risk management, particularly environmentally-related risks, and highlight how UN agencies have supported climate change risk reduction initiatives, as well as improved water management.

In China today, many areas that remain poor are rich in local culture and this has the potential to provide livelihoods for their populations while also preserving a part of mankind's cultural legacy. The challenge of tapping the economic potential of cultural heritage in poor areas while still preserving that heritage requires considerable care. Investing in the conservation of cultural assets, respecting local traditions and promoting cultural activities and traditional knowledge and skills developed by communities over very long periods of adaptation to the environment, moreover, are also very effective means to strengthen environmental sustainability and the social capital of communities.

The case studies presented in the Culture and Poverty Alleviation section of Chapter 2 focus on ways in which this integration has been achieved. At the World Heritage sites in Bangladesh and Mozambique, the United Nations Educational, Scientific and Cultural Organization (UNESCO) has been working with local people to develop crafts industries that are rooted in local traditions, while also

assisting with the preservation of heritage sites. The inherent conflict between the drive to rapidly increase income and the need to properly maintain local traditions is carefully addressed. The case studies examine the development of cultural tourism at these sites and in areas with large indigenous populations. Tourism is only one of the ways in which cultural heritage can offer economic benefits in addition to its own deep value for the community and for humanity. Environmental threats to traditional cultures are also addressed in these studies. This section includes a detailed discussion of UNDP cultural-based tourism project in China's Yunnan Province.

The pro-poor value chain assessment is a useful instrument to help make cultural tourism a more effective means of sustainably reducing poverty. This methodology is a recently developed approach for governments to evaluate private sector business proposals from a poverty impact perspective. A key feature of the approach is the shift of focus from pinpointing a target group at the start for intervention, to mapping out where along the value chain the poor are engaged and how their participation can be further enhanced through planned interventions.

One case study of this approach looks at pro-poor tourism development in Ethiopia, where a detailed analysis was undertaken of which segments of the tourism value chain offered the greatest opportunities for creating livelihoods for the local population. The analysis incorporates a clear understanding of the private sector's requirements, complemented by careful analysis of local labour market conditions and the capacity of the work force.

The case studies in the ICT and Poverty Alleviation section focus on ways in which Information and Communications Technology can reach poor populations that have previously not benefited from it. UNESCO projects that use mobile phone and Internet technologies to lift poor women and young people out of poverty, including through training and assistance with employment, are discussed. Other examples include the use of ICT services to establish incubators that promote business development in poor areas, and where ICT has supported agricultural development in poor areas, through strengthening linkages to markets and lengthening value chains. The use of e-agriculture approaches to provide remote farmers and fishermen with the most current market information is one interesting case study.

The experiences of the UN and China have demonstrated that improving access to financial services can make a significant contribution to social and economic development and poverty reduction. Providing people with improved and inclusive financial services—whether a safe place to save or an appropriately structured loan for investment in an enterprise or education—can promote entrepreneurship and asset building, strengthen resilience to downturns and create sustainable livelihoods. Financial inclusion also allows people and communities to meet their basic needs such as nutritious food, clean water, housing, education, healthcare, and more. The work of the Consultative Group to Assist the Poor (CGAP) is introduced; CGAP is a global partnership of more than 30 leading institutions, housed at the World Bank, and includes UNDP and IFAD, as well as other government organisations, private businesses and NGOs, that seek to advance financial inclusion.

Extending financial services to the remaining poor rural population is a priority of the Chinese Government and of the global community. The riskiness of agriculture and the limited assets of poor rural households have made it extremely difficult for many poor farmers to obtain loans or have access to other financial services. The Inclusive Finance and Poverty Alleviation section of Chapter 2 highlights a number of projects that have succeeded not only in physically reaching poor populations but, more importantly, in developing products and services that meet the specific needs and conditions of poor people. These include low-interest, long-term loans for people with no collateral, savings or payment products and are especially designed for poor agricultural households, and others.

Case studies in this section also include the application of digital financial services to assist poor households with savings and low-cost school payments and facilitating remittances from workers overseas. The Colombia Smart Coffee ID Card initiative is a potentially useful case study of a programme that was initially designed for one narrow (but important) purpose, facilitating purchases of coffee from widely scattered small coffee growers, and has now expanded into a key channel for delivery of government benefits and services. Other interesting case studies describe the successful use of digital technology to more effectively manage fertiliser subsidies for poor farmers in Nigeria, and examine the revolving credit mechanism established with the ILO in Cambodia

that helped farmers establish their own businesses and in doing so contributed to combating child trafficking.

The section presents experiences from the UNDP China microcredit and poverty alleviation project, “Building an Inclusive Financial System in China”, set up in cooperation with the People’s Bank of China and its Institute of Finance. The project worked with the poor areas of Sichuan, Guizhou and Fujian Provinces to explore innovative modes of rural cooperative finance, with support from the financial institutions. The project activities in Yilong County, Sichuan Province are presented, including the creation of a Rural Sustainable Development Centre in order to incubate, nurture and transform poverty alleviation cooperatives. Many innovative features of this project are highlighted in the case study.

Chapter 3. International Lessons in Reducing Poverty Through Improved Social Services

Chapter 3 of the book shifts focus away from poverty alleviation through rural development to global experience in the key cross-cutting social sectors of social protection, education, health and nutrition.

International experience has demonstrated that sustainable solutions to the challenges of these four social sectors are inherently linked to each other. Despite these connections, social programmes are often narrowly defined and managed, falling under the responsibility of various line ministries, government agencies and local governments at different levels. To achieve long-term sustainable progress in these areas, particularly in MICs such as China, it is necessary to integrate the full range of social programmes and benefits into comprehensive cross-sectoral systems. The case studies in this Chapter present successful experience, much of it from other MICs and UMICs, that is relevant to China’s efforts to construct such systems.

Social Protection

Robust and effective social protection systems that cover the whole population are a core instrument utilised by countries around the world to reduce poverty, inequality and vulnerability. The construction of such systems is a critical poverty challenge for China. Global experience in social protection offers many valuable lessons for China to consider in the coming years.

One of the most important global innovations in recent decades has been the use of Conditional Cash Transfers (CCTs). CCTs are programmes that transfer cash to a household subject to their meeting clear conditions, which are usually related to investment in their children's development, particularly through the utilisation of education and health services. CCTs can stipulate other conditionalities; medical treatment for expectant mothers, for example, participation in employment training or referral programmes, and so on. The underlying rationale is clear; while providing cash today, so that the beneficiary household can overcome the deprivations caused by a lack of income, a CCT requires that the household takes steps that will build the conditions for a sustainable productive future for themselves and their children. For example, the goal of education-based CCT programmes is to break the inter-generational poverty cycle by ensuring the children of poor households receive the education they need to avoid poverty in their own adult lives.

The conditionalities provide incentives for households to make the right behavioural choices, and at the same time the transfers help them meet the financial demands of those choices. School attendance by children often imposes costs on families, both direct costs and the opportunity costs associated with choosing not to have the child work and earn income.

The Mexican Prospera CCT is one of the most widely studied and replicated social assistance programmes in history. It is comprehensive and cross-cutting, requiring strong coordination in planning and implementation, including in its funding, which it receives from the combined resources of several ministries. It is also widely studied for the innovations it has put into place regarding monitoring and evaluation and accountability. It has been operational and steadily reformed

and improved for more than 20 years, and has a proven record of positive impact on both the income and wellbeing (health and education) of poor households. Further details on the Prospera CCT can be found in Chapter 3 of this book.

Another recent and widely studied innovation in poverty alleviation and social protection is the “Graduation” approach, first developed in Bangladesh under the Bangladesh Rural Advancement Committee (BRAC) and recently also utilised in several other countries. It has proven so successful that similar programmes are being launched in many new countries, including by CGAP. This approach is sometimes referred to as “Cash Plus”; poor households receive other benefits in addition to cash allowances. These other benefits include assets such as livestock or small equipment. Households often receive training both in using the new assets and in general financial management or in business management. CGAP Cash Plus projects generally also include access to financial assets, such as credit. Frequent visits by social workers or other government representatives are also arranged. These benefits are provided for a pre-agreed and limited length of time, after which the households are expected to be self-sufficient. Not all poor households are suitable for this type of programme; some have age, disability, or other limitations that prevent their participation. However, an evaluation of BRAC and of other pilot programmes found that this approach has a positive sustainable impact on participating households, most of which continue to enjoy higher living standards after the benefits cease. This graduation approach helps avoid dependency on government assistance while providing poor households with essential conditions for self-reliance.

In recent years there has been a growing global trend in social protection programmes towards universality including, in many cases, dropping the “financial need” participation criteria. Eliminating means-testing greatly reduces the risk of targeting errors in social protection systems, simplifies administration and provides greater security for the populations concerned. This approach is widespread in UMICs, where it is seen as one way of reducing inequality and ensuring reasonable economic opportunity for all, particularly in programmes whose beneficiaries are children. Universal child allowances, and universal care/allowances for expectant and new mothers, have been introduced in a number of countries, including Argentina, where impact assessments have been quite positive. El Salvador, a small

MIC with a per capita GDP of only USD 4,224, established a universal social protection system in 2009 designed to cover the entire population throughout their life cycle, and which also focused on gender to ensure that women were fully covered. The programme combines a non-contributory social benefit with a contributory benefit funded by workplace taxes.

Rapidly aging populations are an economic and social challenge for most of the world, including China, and give rise to a growing risk of poverty among the elderly, where effective and adequate pension benefits do not exist. A large increase in the elderly population weakens the financial sustainability of traditional contribution-funded schemes. Pension programmes around the world generally combine contributory and non-contributory social benefits, and some countries have also begun using universal approaches in this sphere. Many MICs and UMICs have only recently established their pension systems, thus a considerable number of working people lack the time to make adequate contributions to earn a reasonable pension. For this reason even countries that make traditional funded pensions the core of their retirement protection must also include social benefits for other poor elderly. This book presents the systems and experiences of many countries which have combined the two forms of pensions, as well as those which have chosen to offer a universal social pension. Thailand's universal pension has received considerable attention, as it has had a strong impact on reducing poverty among the elderly and within their families.

Another important dimension of social protection in MICs is workplace protection and assurance that conditions of employment meet the global standard of “decent work”. Many employed women and men are still highly vulnerable to injury or other health hazards at work, as well as to unemployment and other work-related risks. Achieving “decent work for all” was part of the MDG poverty target, and decent work is even more fully incorporated into the SDGs. The ILO's International Labour Standards (ILS) set the global standards by which workplace conditions and protection are assessed.

Two case studies on workplace protection and decent work are presented. In the Philippines, the Government recently conducted an ILO-supported, in-depth diagnostic of decent work achievements, which identified crucial gaps in the legal and policy frameworks and in the implementation and enforcement of regulations

that, although aligned with international standards, were not being properly applied. In Bangladesh, the country's workplace injury compensation system received renewed, intense attention following the tragic Rana Plaza collapse in 2013, in which 1,134 people died. The ILO assisted a multi-party committee with a review of the compensation framework for the victims and their families, which found many shortcomings, and offered a broad range of recommendations for improvements. These included long-term periodic compensation programmes instead of lump sum, guaranteed compensation even for those whose employers had been bankrupted by the collapse, and plans for the provision of rehabilitation and other health care services to those injured.

Education

The United Nations' goal in all its educational work around the globe is to break the inter-generational transmission of poverty by ensuring that even the poorest children are able to receive education that will allow them to lead full and productive lives. With accumulated experience and with the progress that has been achieved in recent decades, the focus of United Nations assistance has been clarified, and has also become more ambitious.

The sustainable development goal focused on education is SDG 4, "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all". Global education goals have now moved well beyond the MDG goal of universalising primary school education. A commitment has now been added to increase the quality and inclusiveness of learning, so that high quality education will be accessible to all population groups throughout their lives. SDG education targets now include completion and transition rates from primary school to secondary school and from secondary school to university. Furthermore, SDG 4 now requires aligning school education with other policy measures such as pre-school education, vocational training and adult training. Through a broad range of programmes, such as the provision of technology-related vocational training for marginalised groups and facilitating private-public partnerships to improve access to and quality of lifelong learning opportunities through ICT, the UN and other development agencies contribute to eradicating poverty by enhancing the socio-economic skills of the poor, thereby helping them help themselves.

It is difficult to achieve inclusiveness in high quality education. Mongolia's World Bank-assisted programme to provide primary schooling to nomadic herders is a useful example for China since both countries rely on boarding school education for many of these children. The programme features innovative approaches to help young children overcome emotional problems due to the separation from their parents. A UNICEF project in Morocco that provided education for children with disabilities clearly demonstrates the importance of actively engaging local partners when implementing national policy at the grassroots level.

Adolescents are an important target of global education initiatives for several reasons. Demographic trends and gaps between the knowledge provided in school and the skill requirements of rapidly changing labour markets have led to high rates of youth unemployment in many countries. The period when young people enter the labour market is a critical turning point for many; if they are unable to find decent work they may end up on the margins of society and lose what skills they possess.

Chapter 3 also examines Technical and Vocational Education and Training (TVET) programmes, which are designed to prepare young people for employment. A number of UN-supported TVET programmes target specific disadvantaged population groups, such as young women, minorities and young people in poor rural regions. These programmes represent the main focus of the UN experiences documented in the case studies of this book.

The TVET programmes in Singapore are closely examined in the Chapter as this case study holds important lessons for China. Singapore's Institute for Technical Education (ITE) has had a very impressive history of adjusting to changes in technology and the labour market, and continually providing useful training for youth and skilled workers for businesses. A key point from the analysis here is that Singapore's policy makers have made great efforts to show how highly they value technical education, thereby overcoming the traditional assumptions among local people that the only purpose of secondary schooling is to prepare students for university and more advanced education. The productivity of students who did not attend academic universities has also made a large contribution to Singapore's development, and to avoiding poverty among less academically gifted young people.

Health

Poverty and ill health are inextricably linked. Poverty is one of the main causes of ill health, both because poor people live in unhealthy and unsanitary conditions and because they cannot afford to access the health care they need. The poor are often unable to obtain information on how to avoid illness and lead healthier lives.

The link between ill health and poverty goes in the other direction as well. A health shock to a poor family can lead to a worsening spiral of poverty; children drop out of school in order to earn money to replace their parents' income, they borrow money at high interest rates to pay for medical care, or sell the assets that their economic future is dependent upon. A new study by the World Health Organization and the World Bank found that 800 million people around the world spend at least 10% of their budgets on family health expenditures, and that this pushes almost 100 million a year into extreme poverty (World Health Organization and World Bank, 2017).

China has made great progress in health care provision in recent decades, as can be seen in the increase in China's life expectancy from 65.5 years in 1978 to 76.0 in 2015; higher than many other UMICs and approaching the level of the United States. Progress in reducing infant and maternal mortality rates has also been impressive. Despite this progress, China will still face challenges in the coming years in aiming to overcome gaps in health care coverage and in reducing health-related poverty and vulnerability. These include overall health system reforms to provide more equitable access to quality health care for all Chinese people, and measures to reduce the incidence and impact of non-communicable diseases (NCDs), currently the leading cause of premature death in China.

The new global health goal is SDG 3, "Ensure healthy lives and promote well-being for all at all ages". The linchpin for SDG 3 will be the achievement of Universal Health Coverage (UHC). The WHO defines "universal health coverage" as the ability of all people to access quality health services, without suffering financial hardship in order to pay for this care. UHC, while serving as the foundation for the health targets of SDG 3, contributes to other SDGs as a

pathway to equitable and sustainable health outcomes and resilient health systems. The UHC target is the key to all the health-related SDGs; the one target that, if met, will help to achieve all the others by providing both population and person-centred high-quality services that are free at the point of delivery and designed to meet the realities of different people's lives. (WHO, 2016)

There is a strong resonance between the global UHC agenda and China's goals of sustainably eliminating extreme poverty and reducing urban/rural and regional inequality in public service provision. To build on this, the book focuses on efforts of countries in the Asia-Pacific region to make good quality health services affordable for poor people by providing financial protection, by strengthening the availability and quality of health services in underserved areas, and by ending discrimination against marginalised population groups. The book presents a description of the phased series of measures implemented by the governments of Thailand and Argentina in recent decades, which have taken their country close to the realisation of UHC.

China's rapid development has been marked by a major evolution in public health challenges, as the prevalence of infectious diseases such as tuberculosis has fallen sharply and as NCDs, such as cardiovascular illnesses and cancers, have become by far the leading cause of death. NCDs are now a major issue for global health care poverty alleviation efforts, because their incidence and impact are greatest in LICs and MICs.

The key to reducing the impact of NCDs is behavioural change; reducing tobacco and alcohol use, healthier diets, and more exercise. Policy can have a positive effect, by regulating the sale and use of products that increase the danger of NCDs. The book presents case studies noting the experiences of several governments that have taken tough action to reduce harmful NCD-related behaviours, including recommendations for other governments about actions they could consider.

Case studies presenting the important work by UN agencies, together with member countries, in addressing the critical challenge of adolescent, child and women's health care are also included in this Chapter.

This section presents an ongoing project in China, where UNICEF, in cooperation with the Ministry of Commerce and the National Health and Family Planning Commission, is piloting the use of a Conditional Cash Transfer (CCT) programme in improving the utilisation of infant and maternal health care services in 15 poor rural counties in Yunnan, Sichuan and Gansu Provinces. Recent evaluations have found that the addition of a CCT to the Government's expansion of services resulted in a significant increase in utilisation, an encouraging finding that suggests one way in which CCTs might be used in the remaining poor areas of China.

Nutrition and Food Security

Nutrition and food security issues are very closely connected to poverty; one of the most harmful impacts poverty has is through the effect of hunger and inadequate nutrition on the health of the poor and on their capacity to lead full, productive lives. China has achieved extensive results in reducing hunger as incomes have risen with economic growth, and has made an outstanding contribution to the global reduction in the number of people suffering from hunger over the past three decades.

Nevertheless, China still ranks second in the world in terms of the number of undernourished people. In addition, a large population of China is plagued with micronutrient deficiency (hidden hunger). Most undernourished people and those suffering from hidden hunger in China live in deprived areas and are mostly concentrated in disadvantaged groups such as children, women and the elderly. Although China has formulated the "Outline for the Development of Food and Nutrition in China 2014-2020", and taken nutrition as one of the goals of development, the problem of nutrition has not been given wide enough attention in China, and is not treated as an integral part of poverty reduction. Extensive improvements are possible in policy, action and awareness in China regarding improving nutrition. International experience in these areas provides options that China can consider in increasing the attention to nutrition and help close the existing gaps.

In 2015, the goal of "eliminating malnutrition in all its forms" was included in

the SDGs. In fact, of the 17 SDGs, at least 12 include indicators highly relevant to nutrition, reflecting the central role of nutrition in sustainable development.

Malnutrition is a complex problem that has many underlying causes and manifestations. Eliminating malnutrition therefore requires both strong governmental commitment and cross-sectoral effort. The book examines the multi-sectoral approaches used in Brazil and Thailand and reviews the ways in which the Government of Mexico has successfully incorporated nutritional goals into its Prospera CCT programme.

Nutrition-specific interventions, generally targeted at specific groups or individuals, can also have a positive impact on malnutrition. Typical measures include improving feeding for infants and young children, provision of nutritious food in school feeding programmes and provision of nutritional supplements. Targeted and thoroughly implemented nutrition-specific interventions play a significant role in reducing stunted growth and diseases caused by micronutrient deficiencies.

Another important example is the global campaign to promote breastfeeding, in which the WHO and UNICEF are playing leading roles. Studies have repeatedly found that exclusive breastfeeding for the first six months of an infant's life, and continued breastfeeding along with other complementary feeding until the age of two years, provide the healthiest nutrition for children. The global campaign focuses on making it easier for new mothers to breastfeed their babies. This section of the book presents examples of successful efforts in this area, one in which China is still lagging globally.

The experiences of several countries, including the United States, Japan and Brazil, are presented here; this is another area in which China could achieve considerable poverty reduction impact through stronger policy efforts.

The provision of nutritional supplements has also been an important instrument for governments seeking to reduce malnutrition, particularly among the poor, and programmes can be targeted to address the specific issues of certain regions and population groups. A case study detailing Mongolia's successful experience with "Sprinkles", reveals how micronutrient supplements have had a

marked impact on lowering anaemia and malnutrition among children, including poor children in migrant households in peri-urban areas, and children of nomadic herding households.

International experience in nutrition education and community-based nutrition programmes is also presented in this Chapter, such as the direct work with agricultural producers to support the cultivation and production of foods that reduce specific nutritional problems. The book explores several types of agricultural producer programmes including bio-fortification and homestead food production.

Chapter 4. Focus on Three Core SDG Poverty Challenges: Gender Inequality, Urban Poverty and Environmental Poverty

In China and much of the globe poverty was historically defined as a largely rural problem. Promoting economic growth and livelihoods, and interventions to provide rural poor people with previously unavailable access to business and social services, were regarded as the main mechanisms for alleviating that poverty. As highlighted, China's track record in this regard since 1978 has been extraordinarily impressive.

However, poverty is changing rapidly around the globe and in China. Chapter 4 focuses on three “new” poverty-related issues; gender, urbanisation and the environment. They are not new issues, but they have come to the forefront of the global development agenda because of progress in reducing income-based poverty. Furthermore, these three issues share an important characteristic; global and Chinese experience indicates that reliance on classic development-led poverty reduction approaches will not resolve them. In fact, the changes that have accompanied growth around the world have, in many instances, led to a worsening of poverty in these three dimensions. For women, the number of single female-headed households has grown and frequently women are forced to seek economic opportunities, while hampered by deep inequities in their rights to decent work, to own assets, and to participate in decision-making. In the case of urbanisation,

while closely linked to growth and to overall poverty reduction, urbanisation has also created an entirely new poor population group; internal migrants who often find higher monetary income in urban settings but face many new deprivations and discriminations. If economic growth is prioritised above all other goals, including environmental sustainability, it can directly undermine sustainability and cause great damage to our environment, our lives and the lives of future generations.

None of these three serious poverty issues will be solved by simply promoting more economic growth. They all require new definitions, new concepts and new approaches. Chapter 4 has three sections, one on each theme, and presents case studies and analyses based on the recent work of the United Nations and other development organisations around the globe. All have been selected to highlight issues that are highly relevant in China's own poverty alleviation agenda.

4.1 Gender

One of the key targets of SDG 1 is to ensure that all men and women have equal access to economic resources and basic services. For many of the world's women the right to livelihoods, asset ownership, full participation in decision-making and full access to government services is not always recognised. The gaps between the economic and political rights of men and women have made it much more difficult for women to enjoy the benefits of economic growth, leaving them more likely to be poor and vulnerable than men, even though normal household-based poverty indicators often do not capture this. The division of food and money within families often favours men, while the traditional division of household labour assigns women more unpaid labour than men, putting them at further disadvantage. As the number of single, female-headed households increases across the globe due to social changes and to women's longer life expectancy, the poverty gap between men and women has become more discernible. Women are also exposed to gender-based violence and are more likely to be forced into early marriage.

The concepts of gender and poverty are therefore inextricably linked. There is now a global consensus that the SDG poverty reduction targets cannot be met without policies and programmes that thoughtfully and determinedly address the specific obstacles poor women face as they seek to assert their rights to decent

livelihoods. Overcoming those obstacles and ending these and other forms of discrimination against women is not only a priority issue in poverty alleviation, it is a priority issue for humanity's future development. As UN Secretary-General António Guterres stated, "The richness, the welfare, the prosperity of countries, depend on the full integration of women into the development process."

These issues are highly relevant to China's current poverty challenges, as broad gaps between national policies regarding gender equality and the actual situation of poor and vulnerable women still exist in China today. While Government policy is enlightened and emphasises non-discrimination, the social norms and traditions that shape gender attitudes are deep-rooted and will not be overcome in a short time. It is for precisely this reason that promoting gender equality has become an even greater priority for the international community and in China.

The case studies in this section are divided into two groups: (1) encouraging women's participation in decision-making and protecting women's rights, and (2) strengthening women's education and capacity building. Both approaches offer input into how China can ensure that women's legitimate rights are no longer impeded. Some of the case studies presented here include:

- Projects focusing on the link between political rights and economic opportunity, such as an IFAD project in Gambia that helped women become village leaders, leading to an increase in the income and productivity of Gambian women and the appointment of Gambia's first female regional governor.
- A UNDP/UN Women project in Moldova, which strengthened access to basic health services for poor, elderly rural women.
- UNFPA and UNICEF projects supporting women's reproductive rights, directly linked to women's ability to control their economic futures.
- IFAD's financing and use of Oxfam's Gender Action Learning System to confront the inequitable distribution of resources within poor, rural families.
- A UNDP project in Yunnan Province, motivating women's innovation and entrepreneurship, which incorporated developing business management and marketing skills, raising awareness on ethnic minority cultural heritage and

enhancing local residents' national identity and pride in their traditional cultures. This project directly benefited 7,200 people, 90% of whom were women.

One lesson highlighted by all these case studies is that programmes that aim to overcome gender gaps must take into full consideration the underlying cultural attitudes and political and economic practices that so often underpin them. Experience has shown that programmes that do not specifically target poor women often exclude them.

4.2 Urbanisation and Poverty

Developing countries generally pursue urbanisation as a goal, because they expect that the rise of cities will promote development. Indeed, urbanisation is positively correlated with growth and development and with the reduction of rural poverty. However, global experience has demonstrated that as a country becomes urbanised a new poor population emerges, bringing new challenges and requiring new approaches.

In China, for example, the first urban poverty programmes targeted long-term urban residents who had become unemployed, or who for other reasons, such as illness or old age, required assistance. Those groups continue to exist and require support. However, the most challenging urban poverty problems have arisen among new urban residents. These people are drawn to the cities because of economic opportunity. They make large contributions to the urban economy, but their lives are often characterized by extreme volatility and vulnerability, and their living conditions are often of an unacceptably low quality.

The classic symbol of urban poverty is substandard housing conditions, i.e., slums. Internal migrants frequently do not have the right or the economic means to live in good urban housing, and have no choice but to live in crowded areas, with cramped living space, poor safety and sanitary conditions, high crime rates, pollution and other serious problems. Their cash income may be higher than it was in rural areas, but these other deprivations are extremely serious. Social services and systems, such as health care, education and social assistance that were not designed

for such highly mobile households, often fail to include them.

The New Urban Agenda, approved by the global community at the Habitat III Conference in October 2016, translates the SDGs into a clear and strong set of goals for urban development. With UN-Habitat often taking the lead, UN agencies are now exploring new systems and approaches to address this new urban poverty, which is multi-dimensional in nature. Their experience and that of other MICs provide many useful examples for China.

To identify the urban poor, it is best to use multi-dimensional approaches that capture the housing, health and other deprivations described above. Some countries are already doing this. Two case studies presented in this section focus on Vietnam where, with support from UNDP, the Multi-dimensional Poverty Index is used to identify poor urban residents who are eligible for assistance; and where the World Bank's Vietnam Urban Upgrading Project has improved housing, infrastructure and public services for millions of urban residents.

The next section of Chapter 4 investigates the challenges of urban poverty alleviation, presenting experiences in community-driven approaches to urban development and poverty reduction. Community-driven development in rural areas usually targets a relatively stable and easily defined community, featuring clear geographical boundaries and residents with long-term connections to the community. In poor urban districts this is not so easily defined; as these communities expand and shrink, and have highly mobile populations.

The World Bank's urban poverty reduction programme in Indonesia provides interesting insights into the difficulties of community-driven work in urban areas, along with some favourable conditions for poverty alleviation. Access to economic and human resources is generally greater in urban rather than rural areas, as well-educated and highly skilled individuals are often found among the urban poor. Getting these local people engaged in such work was, however, difficult. Through the development of plans, created and approved at the community level, the programme was able to achieve a considerable amount of urban improvement. The modalities utilised by this programme are of particular relevance for China's urban challenges.

Chapter 4 also presents two case studies on urban employment programmes, supported by the ILO: in South Africa, focusing on housing construction, and in Argentina, targeting urban youth, a key group in all employment generation work. A third case study investigates how the Republic of Korea assesses and manages its public works programmes, maximising employment opportunities for its people while achieving the construction and service delivery goals it has set.

All programmes that seek to engage the urban poor must overcome the obstacles created by the high proportion of that group who are informal, independent workers, often off the radar screen for government social and economic development programmes. This section looks at three different approaches to including urban informal workers in these programmes; 1) efforts in some Latin American MICs to enrol independent workers in contribution and tax-based government social protection schemes; 2) efforts to reach these workers with social benefit programmes that are financed by the government; and 3) efforts to formalise the informal sector, by creating organisations that represent them and facilitate their participation in government programmes.

One advantage that policy makers have in addressing urban poverty challenges is the greater opportunities for private sector engagement, because larger, more concentrated populations are generally wealthier, in cash terms. Public-private partnerships in areas such as urban housing construction and urban infrastructure, have been successfully brokered in many developing countries. This Chapter also includes an analysis of the conditions and skills that are needed in urban governments to pursue such partnerships, along with a case study on a public-private partnership programme related to pro-poor water supply, located in India. It illustrates how governments can achieve universality of service provision by entering into agreements where private investors can earn an acceptable return for their services but which also guarantee favourable treatment for the poor.

As an advanced economy with large urban centres and many of the same challenges as China, South Korea's experiences and practices offer interesting lessons for possible future urban work in China. This section concludes with the Korean Government's 2014 report to UN-Habitat on its pro-poor urban development plan. The plan clearly and thoughtfully integrates solutions to

pressing new poverty challenges in urban areas, such as the elderly living alone, people with disabilities, and poor households living in substandard housing, into the overall urban infrastructure and public service development programmes.

4.3 Environmental Poverty

More than 80% of China's key poverty counties and 95% of the absolute poor population are located in ecologically fragile areas. Like urban poverty, environmental poverty is often a by-product of economic growth. The improvements in income attained in the last three decades too often carried large environmental costs that have yet to be calculated or repaid. The fundamental recognition in the global 2030 Agenda is that growth is not sustainable unless its environmental impact is fully factored in, and global experience, including China's, has emphasised that it is the poor population who suffer most from environmental degradation.

At the same time, as with gender equality, environmental sustainability cannot be treated as a separate sectoral issue; sustainability is factored into virtually all the UN's work around the globe, because all programmes and plans need to be assessed from the sustainability lens.

The UN and its Member States are now actively exploring innovative approaches to integrating poverty and environmental challenges into the overall sustainable development agenda. This segment of Chapter 4 presents several examples of how this is being done, including some of China's own experiences. Global initiatives including the Poverty-Environment Partnership and the UNDP-UNEP Poverty-Environment Initiative (PEI), are introduced, and good practices in Payment for Ecosystem Services, organic farming, biosphere reserve, community driven green poverty reduction activities, and education and communication environmental protection awareness are explored. The UNESCO Green Economy in Biosphere Reserve Project for Sub-Saharan Africa is highlighted as an illustrative example of how conservation of biodiversity can lead to higher incomes for farmers while protecting the environment.

The PEI in Rwanda is presented as an example of how integrating environmental management into broader development planning at the national,

regional and local levels can achieve strong results. This was a phased process that included reviews of the institutional framework for environmental policy-making, assessments of gaps and identification of priority issues that required action. One key component, the Public Environment Expenditure Review, carefully analysed the size of total government spending in this area, and made recommendations that led to the creation of new sources of funding for environmental protection and a marked increase in spending. The PEI also supported the establishment of the Rubaya green village project, which created very strong economic returns for its population and which led to plans for its replication in Rwanda and elsewhere.

International experience in payments for ecosystem services (PES), including Costa Rican experience, are also presented here. PES have become an increasingly important global means of capturing the true economic value of environmental protection. Payments from the beneficiaries of a healthy ecosystem, usually represented by the government, to farmers, firms and individuals who engage in practices that preserve it, create a healthy and sustainable economic foundation for environmental protection.

Environmental degradation and poverty are not exclusively rural issues. The urban poor suffer from air and water pollution, lack of access to hygiene and other environmentally-linked deprivations. One case study is presented from Mongolia regarding analysis by UNICEF of the impact of urban air pollution on the health of poor children, which is leading to stronger efforts to solve this urgent problem.

Chapter 5. Effective Poverty Reduction Programmes: International Lessons in Achieving the Largest and Most Sustainable Impact

Successful poverty reduction efforts start with strong governmental commitment and with the allocation of adequate resources. Macroeconomic stability with growth and low inflation also aids these efforts by providing a supportive economic environment. These conditions are all present in China today. Eradication of extreme poverty is one of the Government's highest priorities; there

is no question that the essential conditions of national commitment and the availability of resources are fully met. The macroeconomic conditions for poverty reduction are also in place, with stable and sustainable growth, low inflation, and a steady expansion of government fiscal capacity.

The key challenges in successful poverty alleviation in China arise in determining how to make the most effective use of these favourable conditions to achieve the sustainable reduction of poverty and vulnerability. These challenges include:

- Building strong coordination mechanisms both horizontally across sectors and vertically across layers of government;
- Targeting beneficiaries as accurately as possible to avoid missing needy households or benefiting ones that do not require support;
- Improving monitoring and evaluation to more readily identify problems or failures;
- Preventing or reducing corruption in anti-poverty work;
- Strengthening local government implementation capacity;
- Increasing community participation and communication to more actively engage poor populations.

Each of these topics is discussed in Chapter 5, together with relevant international case studies and analysis. The Chapter concludes with a short discussion of experience in making the private sector a partner in poverty reduction efforts.

1. Coordination

Achieving sustainable poverty alleviation is a complex, multi-sectoral task, which requires effective horizontal coordination across ministries and vertical coordination across different levels of government. The Brazilian school-feeding programme, known as PNAE, is an example of and is examined in detail in this chapter. The programme provides food for over 42 million children across Brazil's large and ethnically diverse landscape, according to clear nutritional guidelines, which are established by the Government but implemented flexibly at the local level according to regional customs and available foods. A national multi-ministerial council oversees the programme, led by the Ministry of Education and the Ministry

of Agriculture, and responsibilities for spending, management and monitoring and evaluation are divided clearly among the three levels of government.

The success of the PNAE, which is supported by the UN's World Food Programme, has received a great deal of international attention. The case study highlights the importance of rooting a national programme like this in a clear legal framework, in which responsibilities are well defined, and in aligning the programme with national policies. Brazil's "Zero Hunger" strategy, launched in 2003, provided the framework for the PNAE. Many other aspects of the programme's success are also presented, including strong monitoring and evaluation, robust financial controls, and the involvement of civil society.

2. Targeting and Revising Poverty Lines as National Income Rises

The World Bank's USD 1.90/day poverty line, and China's national RMB 2,300/year poverty line are both meant to establish a line below which households are considered in extreme or absolute poverty. These lines have proven to be extremely important and useful when assessing global and national progress in reducing poverty. However they only capture the most extreme poverty, and are most relevant to conditions in low income developing countries whose highest poverty priority is ensuring that their populations have at least the minimum income they need.

As national incomes rise the expectations and needs of populations also rise, the cost of living increases and the standards by which government performance in poverty alleviation is assessed change. In this section of the book we review examples of how UMICs and UICs set their poverty lines, starting with the recent announcement by the World Bank that it will now use three poverty lines; USD 1.90/day for LICs, USD 3.21/day for LMICs and USD 5.48/day for UMICs (all values adjusted according to purchasing power parity.) The practice among many UICs of using a relative poverty standard to set an income poverty line is also presented; in Europe, for example, the poverty line is set at 50% of the median household income. Argentina's experience in setting a very accurate income poverty line that reflects specific age and other aspects of a household is also discussed.

These are all still income-based measures of poverty. A deeper issue is the desirability of switching to multi-dimensional poverty lines, which is already occurring in a number of countries. Mexico's experience is examined here and complements the discussion on Vietnam's experience, which was included in the urbanisation section of this book.

Once the government has established the line for defining who should be considered poor and thus eligible for certain government programmes, the next critical challenge is how to identify those poor, and target them accurately with programmes. Inaccurate targeting undermines both the effectiveness and credibility of a benefits programme and can give rise to suspicions that funds are allocated by non-poverty criteria, such as favouritism and corruption. Two case studies from Colombia and Brazil are examined, in particular the focus on how to ensure these targeting problems are minimised or eliminated. The Colombian Unified Vulnerability Targeting System (SISBEN) is a unified national vulnerability assessment and identification system, which was established in 1995 and revised, expanded and upgraded as Colombian social programmes expanded. As of 2013, ten Colombian government institutions running several social protection and employment programmes were using SISBEN to identify potential beneficiaries and, as of 2014, had compiled data on more than 34 million people, nearly three-fourths of Colombia's population. Local governments are responsible for collecting the data, with oversight and quality reviews from the national level.

The Brazilian Unified Registry serves a similar purpose but on a much larger scale, containing data on 26 million households across Brazil's 5,570 municipalities. It is being utilised to determine eligibility and to coordinate the provision of benefits currently being dispensed by 27 different federal programmes.

Both these systems serve several purposes: administrative costs are reduced when one database is utilised by various programmes; information sharing is essential and thus coordination between the different programmes of different government agencies is reinforced; and, most importantly, the transparency and accuracy of the identification of beneficiaries is enhanced.

3. Monitoring and Evaluation

Monitoring and evaluation is a central challenge in all projects and is therefore discussed in many case studies throughout the book. The case study included in this section focusses on a Serbian Government initiative, supported by UNICEF, to make education more inclusive for poor children whose school enrolment rates were much lower than the rest of the population's, resulting in their inability to escape from poverty due to their lack of education. Many of the children were from minority groups, and for this reason efforts to increase their participation required changes in curricula, school culture, and the attitudes of school personnel and local people. The Government set up systems that not only monitored enrolment rates but also monitored and evaluated progress in achieving the deeper changes that would make higher enrolment rates sustainable and education more effective. This is a useful example of targeted government effort to ensure that progress in this complex and important social area was being appropriately monitored and evaluated.

4. Preventing or Reducing Corruption in Anti-poverty Work

Whenever large amounts of public funds are allocated, systems must be put in place to ensure that the funds are used efficiently to achieve their intended goals. Given that China is planning to devote a large quantity of resources for poverty alleviation in the near future there is an urgent need to address this challenge.

The link between poverty and corruption is a widely-discussed topic in development economics. Much of that discussion has focused on corruption in infrastructure investment, such as water projects, which have frequently failed to meet the needs of the population due to the lack of transparency and ethical standards in the awarding of contracts and in monitoring. The negative impact of the mismanagement of poverty alleviation and social protection funds on the poor is a serious problem in many countries. The cost of the programmes increase, the quality and effectiveness is reduced, and public confidence in government commitment to social goals is undermined.

An Asian Development Bank study of poverty in the Philippines noted that: "Administration of direct antipoverty programmes — such as land tenure, food, credit, and housing subsidy programmes — has been challenging, and many

programmes have experienced high leakages to the non-poor, high administrative costs, and unintended rent-seeking processes.”

An important 2006 study of international social protection programmes by the British National Audit Office found that concerns about corruption in these programmes were widespread in developing countries, but almost never found in developed countries. This problem can clearly be solved with the proper combination of strong internal controls and opportunities for feedback from the public.

Chapter 5 presents two case studies on this subject, along with additional source materials from a World Bank technical assistance effort to reduce “errors, fraud and corruption” in the social protection programmes of numerous countries. One case study is from Bangladesh, where systems were quite basic and the analysis identified the basic principles of the corruption prevention systems that needed to be established. The second case study is an evaluation of corruption reduction systems in the CCT programmes in two more advanced Latin American countries, Mexico and Colombia. The Mexican Prospera CCT is described in detail in the social protection section 3.1 of this book, and its nutritional component is discussed in 3.6. This is a large, broad-reaching, national programme, which administers a huge volume of funds across the entire country. The systems through which the Mexican Government encourages transparency and avoids local level abuse of the programme are extremely relevant to China’s challenges today.

5. Strengthening Local Government Implementation Capacity

Corruption is not the only reason why national programmes are at times improperly implemented at the local level. Sometimes the programmes are simply too challenging and local capacity is not strong enough for successful implementation. China’s systems and capacity for conducting training and building local capacity are quite strong and could serve as interesting examples for the rest of the world to study. However, some international experience in this area can be of use in China as well.

This section presents two case studies on internationally supported projects that strengthen local government capacity. The first is from Bangladesh, where

UNDP and other partners helped build local capacity for the development and implementation of poverty reduction strategies in 24 towns across the country. The planning process brought together local government, elected officials and representatives from urban poor communities, civil society and the private sector. The second case study presents a World Bank project on developing local government fiscal management capacity in Uganda following national decentralisation reform that gave local governments much more responsibility for revenue raising and expenditures. Initially, many local governments were unable to cope with these new assignments. However, following the roll-out of new IT systems and intensive staff training, successful outcomes were achieved on both the revenue and expenditure sides.

6. Community Participation and Communication to More Actively Engage Poor Populations

When poverty alleviation work is focused on meeting national goals rather than on sustainable long-term improvements in the lives of the local population, there is a real danger that the local population will not engage fully in the programmes. A common situation in poverty work has been that often those implementing the programmes become frustrated by what they judge to be local passivity or an unwillingness to help themselves, while the locals regard the project staff as outsiders who don't bother to understand their real situation, merely arriving and talking "at" them without ever listening to what they think.

One key approach that has been used widely and effectively around the world to address this problem is community-driven programmes that encourage active participation by local people in design, implementation and monitoring activities. Many of the United Nations projects described throughout this book, particularly the rural development projects of IFAD and other agencies are designed with this participatory approach.

An IFAD community-driven agricultural development project in Morocco is testament to this approach, achieving a 26% reduction in poverty rates in 370 villages. The communities prepared their own local development plans, including small-scale irrigation projects, improved drinking water supplies, road rehabilitation, the planting of fruit trees and other activities. A second project, implemented by

UNESCO, focused on communication, which is another key component encouraging the participation of local populations. Both these case studies are examined in section 4.2 of this book.

7. Effective Partnerships with the Private Sector in Poverty Reduction

Chapter 4 concludes with a discussion on how international organisations and governments have increased the impact of their poverty alleviation efforts through engaging the private sector. The potential contribution that the private sector can make to sustainable improvement in livelihoods is enormous, however there are many challenges in aligning private sector profit incentives with the pro-poor goals of policy makers. Particular case studies are examined which give a preliminary indication of the issues and possible approaches to resolving them, including an analytical tool that is increasingly being utilised - the “pro-poor value chain” approach to evaluating business proposals from a poverty reduction perspective. Even after a business sector with the potential to create livelihoods for poor people has been identified, not all investments in that sector should be assumed to have identical pro-poor impact. This is a tool for assessing and comparing proposals from that perspective.

The first case study is of a rural solar power project in Morocco, in which a major power company provided solar power infrastructure to 24,800 households, with initial financing from the German KfW Development Bank and technical assistance from the French Global Environment Facility (FFEM). Interesting contract terms were agreed upon to align incentives, and the project achieved its key goals. The contributions of both the private firm and the international donors were both essential to that success.

The International Finance Corporation (IFC) is the World Bank Group investment bank responsible for working with the private sector in developing countries. The poverty alleviation impact of the IFC was assessed in a 2011 report that synthesised key lessons for improving results, especially the need to engage more fully and directly with the poor populations they plan to assist. The second case study presented in this final section is from that report, and concerns a forestry project in Nepal.

Chapter 6. Conclusions and Recommendations

The determination of the Chinese people to sustainably eliminate poverty is a goal wholly aligned with the global 2030 Sustainable Development Agenda. Numerous possibilities exist for exchanges of experience between China and the rest of the world in the coming years. Many countries are already making good use of the lessons learned from China's remarkable achievements to date in reducing poverty. This book contains many examples of international experience that may well be relevant and useful to Chinese policy makers, scholars and others engaged in China's poverty alleviation work.

International Experience in Poverty Reduction is a vast topic. Whole books have been written about the themes of each sub-section of the chapters of this book. Other topics could also have been included. The authors of this book have therefore had to be selective in identifying subject matter and case studies that will be relevant to China's most pressing challenges in the coming years. Some are directly relevant to the effort to eliminate poverty in the remaining poor rural regions by 2020, while others are also relevant to the longer-term goal of making that accomplishment a sustainable one by creating systems that reduce vulnerability and ensure that even the children of the poorest households have the opportunity to lead full and productive lives. When China's 1.3 billion people achieve this goal, it will be an outstanding accomplishment for the country, and a major contribution to the world's sustainable development agenda.

Chapter One: Introduction and Background

1.1 A Historic Global Commitment to Reduce and End Poverty

On 8 September, 2000, the heads of state and other high ranking representatives of 189 nations gathered at the United Nations Headquarters and approved the Millennium Declaration. This historic document, which led to the establishment of the first concrete set of goals and targets by which the global commitment to human development could be measured, included the following passage:

“We will spare no effort to free our fellow men, women and children from the abject and dehumanising conditions of extreme poverty, to which more than a billion of them are currently subjected. We are committed to making the right to development a reality for everyone and to freeing the entire human race from want (UN, Resolution adopted by the General Assembly, 55/2. United Nations Millennium Declaration, 2000).”

The central importance of this commitment to ending extreme poverty was further reinforced by the designation of poverty reduction as the first of the seven (later increased to eight) Millennium Development Goals listed in the Declaration. It stated:

“We resolve further to halve, by the year 2015, the proportion of the world’s people whose income is less than one dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water (UN, Resolution adopted by the General Assembly, 55/2. United Nations Millennium Declaration, 2000).”

Since 2000 the global community has been engaged in the fight to end poverty; a fight in which China has played an important role. China’s progress has contributed greatly to global progress, but many other countries, small and large, have also achieved impressive results. The goal of eliminating poverty is an endeavour that has truly brought the whole world together, and continues to do so.

From 2000 until the target year of 2015, the UN and its member countries around the globe prepared annual MDG reports tracking progress towards the achievement of this goal. In 2015 the United Nations issued its final MDG report, which highlighted the successes and the many unmet challenges after 15 years of effort.

At the global level the goal of reducing poverty rates by half was met five years early, a remarkable achievement. However, disaggregating by developing regions revealed large differences in results. East Asia had an astounding decline in absolute poverty, from 61% in 1990 to only 4% in 2015. This was primarily due to China’s extraordinary achievements in poverty reduction. In Southeast Asia the rate fell from 46% to 7% and South Asia also made impressive progress, with the share of the population living in absolute poverty dropping from 52% to 17% during the same period. In Latin America and the Caribbean, a region of primarily Middle Income Countries (MICs), the absolute poverty rate also fell sharply, from 13% to 4%.

However, progress was much slower in Sub-Saharan Africa, where the absolute poverty ratio as of 2002 was still higher than in 1990. Although that upward trend was reversed after 2002, as of 2015 the share of this region’s population in poverty was still 41%, a decline from 1990’s 57% but falling short of the target of reduction by half. As the total population of the region increased sharply during this period the absolute number of poor actually increased.

In absolute terms the number of extreme poor in the world fell by over one billion during the MDG period, from 1.9 billion to 836 million. Considerable declines in a small number of large nations, especially China and India, contributed much to that improvement, due to their sizeable populations. However, also because of their size, those two countries still have the largest number of absolute poor of any country in the world, even though the poor constitute a smaller proportion of their populations. Overall, however, the global reduction was broadly-based, with the key exception being Sub-Saharan Africa.

How did this massive reduction in extreme poverty occur and what lessons can we draw for the future? There were two key components to this achievement.

First, in Lower Income Countries (LICs), where the large majority of poor people were located at the start of the MDG period, there was a strong link between sustained economic growth and poverty reduction. Second, in MICs, whose total populations and poor populations were smaller to begin with than in LICs, impressive progress was made in sharply reducing the incidence and severity of poverty. This reduction was achieved less by growth and more through the creation and expansion of innovative and effective social protection, health, education, nutrition and other social programmes that reached previously excluded groups.

China, India and other Asian countries that achieved impressive results in their poverty alleviation all moved from LIC to MIC status during this period, due to their sustained strong economic growth, which was also relatively inclusive.

Economic analysis has shown that growth by itself does not ensure poverty reduction. It is the quality and inclusiveness of growth that matter including policies that promote rural development, especially through investment in increasing agricultural productivity, and policies that allow or even encourage, through investment in new sectors, the flow of labour from low productivity to higher productivity sectors. Global experience has shown that, although inequality tends to rise during economic growth, too large an increase in inequality, a pattern often found in countries over-dependent on natural resource extraction and commodity exports, tends to lead to relatively little poverty reduction. Still, the LICs that achieved strong poverty reduction over the MDG period were all

countries in which economic growth was also strong.

As a result of this progress the number of LICs has decreased to 29 and the share of world population living in them has plunged to 8%. Today's remaining LICs are mostly in Sub-Saharan Africa, while in Asia only Afghanistan, the Democratic People's Republic of Korea and Nepal remain in this group. These last remaining Asian LICs face greater poverty challenges than elsewhere in the region.

This connection between growth and poverty reduction has important policy implications moving forward. For the remaining LICs, no poverty reduction approach is more urgently needed than the creation of sustained, strong and inclusive economic growth. China's remarkable record in creating inclusive growth, that lifted hundreds of millions of people out of poverty, offers a model for developing countries to study.

The economic growth of those countries that successfully reduced poverty was accompanied by a range of reforms and expansions in social services, especially health care and education, all key MDGs that were achieved by 2015. This was a period of considerable increased investment and innovation in human development. Economic growth and the development of social services followed a co-dependent path; improved services created conditions for growth and growth created the conditions and demand for improved services. Some of that history is captured in this book.

In the remaining LICs these social programmes must be rapidly introduced to build the conditions for growth and to reduce the future impact of today's poverty, particularly its effect on children. Providing children with education and health services, including adequate nutrition, can help ensure they will benefit from and contribute to economic development as it occurs. Without growth, poverty rates are likely to remain high for many years.

Although poverty rates are higher in LICs, 73% of the world's poor now live in MICs. This is an inevitable outcome of the shift of most of the world's most populous countries to MIC status; although their poverty rates have fallen, in absolute terms the size of their poor populations is still high. This change in conditions and in poverty reduction is a challenge the world will face in the coming years.

Impressive results in poverty reduction were also achieved in MICs during the MDG period. The reduction was the result of innovative and expanded government social policies that directly targeted poor and marginalised population groups, rather than economic growth. The policies were quite diverse and often tailored to the specific challenges of individual countries. They included:

- focused efforts to extend economic growth, and the market and other institutions that promote it, to the remaining pockets of poverty, particularly in remote rural regions where some households were still engaged in subsistence or low income agricultural production;

- the development of highly innovative large-scale social assistance programmes, to more effectively reach previously marginalised members of society, such as people with severe disabilities, and which included other innovations, such as conditional cash transfers to provide monetary support to poor households, while also creating incentives aimed at breaking the inter-generational transmission of poverty;

- major advances in social protection programmes aimed both at alleviating poverty and at preventing vulnerable households from falling into poverty, often featuring universal rather than means-tested coverage;

- innovative approaches to identifying and reaching the remaining pockets of absolute poverty, both in rural and in urban settings;

- expansion of and increased inclusiveness in core social services, including education, health care and nutrition;

- enhanced focus on the gender dimensions of poverty, based on the recognition that women and the services they require are frequently excluded from government safety nets; and

- expanded integration of environmental concerns into poverty alleviation work, based on the recognition that poor households are frequently the first to feel the impact of environmental problems. In recent years an increasing share of these initiatives have included climate change mitigation related activities.

The experience of MICs in achieving the MDGs has even greater relevance now, as many countries, such as China, have also risen to the middle and upper middle income level of economic development and have greatly reduced the size of their poor populations. The poverty challenges they now face are qualitatively different from earlier and are similar to those faced by other MICs in recent decades.

What are these challenges? First, the pockets of poverty that have persisted in these new MICs, despite sustained, strong economic growth, may reflect particularly difficult geographic, social or cultural obstacles that require focused efforts to overcome. In addition, when countries move from Low Income to Middle and Upper the dynamic nature of poverty becomes a key factor; households that escape from poverty one year may fall back into it again. This is another defining feature of poverty in MICs; in many cases vulnerability has replaced poverty as the greatest challenge.

Second, as countries become wealthier the related problems of inequality and relative poverty become greater concerns than extreme absolute poverty. For example, consider two families, both of whom have incomes slightly above the absolute poverty lines of their countries. The first lives in an LIC where per capita GDP is only double the poverty line and where absolute poverty rates are therefore very high. The second lives in an UMIC whose per capita GDP is 10 times higher than the poverty line and where absolute poverty rates are much lower.

Although neither of these families would be counted as poor according to the traditional income measures, the second family would inevitably feel much poorer than the first, surrounded by reminders that they have much less than the vast majority of people around them. From the point of view of social cohesion and stability, and to avoid the marginalisation of less well-off population groups, relative poverty is a powerful concept that is given great attention in relatively developed societies, more than the minimum needs-based income definition of poverty.

Inequality has risen sharply in almost all countries in recent years, including those where absolute poverty has been reduced so impressively.

Growing attention to vulnerability instead of poverty and to relative poverty instead of absolute poverty, are two of the ways in which the global focus on poverty reduction has deepened since the MDG Declaration. Another key development has been the growing recognition that income-based definitions of poverty capture only a part of the nature of poverty and, in response, a shift to broader measures of poverty has occurred.

Governments and international organisations have long acknowledged that measuring the prevalence and severity of poverty based solely on income is problematic in many ways. Indeed, MDG 1 included three distinct indicators; 1A) reducing income poverty; 1B) achieving full and productive and decent work for all; 1C) reducing the proportion of people who live in hunger.

There were compelling reasons for measuring trends in these non-income dimensions of poverty. Increases in poverty that are the result of transitory improvements in income, or even of government assistance, are often not sustainable; sustainable increases in income are rooted in productive employment under decent terms and the development of a person's capacity. China's poverty reduction is the world's most striking example of this phenomenon, with much of the country's dramatic poverty reduction the result of inclusive, broad-based economic growth, which generated new and better employment opportunities for the rural population in particular. The inclusion of a hunger indicator to assess poverty reduction was also important; it recognised that income is a means to attain an acceptable standard of living, and that increases in income that do not allow poor households to escape hunger are an incomplete achievement at best. The poverty MDG required nations to examine the impact of income on the real lives of households, especially their ability to provide an adequate diet for all members.

This trend towards deepening and broadening the understanding of poverty has accelerated in recent years. The most important development has been the new concept of multi-dimensional poverty that assesses non-monetary types of deprivation; nutrition, access to education, child mortality, quality of housing including access to potable water, electricity and improved sanitation and the control of assets.

This concept is not entirely new. It originates from the UNDP's Human

Development Index, the three-dimensional index designed to reflect national development status more accurately than through GDP growth alone. The HDI was created by the economist, Mahbub ul Haq, and embodied the human development concept developed by himself and Amartya Sen. The United Nations and global poverty analysts have now applied the human development approach at the household level. Since the development of a nation is not merely a matter of GDP growth but includes education and health, similarly poverty, an unacceptably low state of development for a person or a household, should not only be measured in terms of income.

In 2010 UNDP and the Oxford University Poverty and Human Development Initiative jointly proposed the use of the Multi-dimensional Poverty Index (MPI) that complements monetary measures of poverty with measurements of these other deprivations as well.

The Multi-dimensional Poverty Index (MPI)

The MPI is an index of acute multi-dimensional poverty. It reflects deprivations in education and health outcomes, and access to assets and services for people across 104 countries. The MPI has three dimensions: health, education, and standard of living. These are measured using 10 indicators. Poor households are identified and an aggregate measure constructed using a methodology proposed by Alkire and Foster (2007, 2009). Each dimension is equally weighted; each indicator within a dimension is also equally weighted. The MPI reveals the combination of deprivations that affect a household at the same time. A household is identified as multi-dimensionally poor if, and only if, it is deprived in some combination of indicators whose weighted sum exceeds 30% of all deprivations.

This multi-dimensional approach provides a considerably more accurate and useful measure of the depth of poverty in a household, region or country. Viewing these factors together, rather than individually, allows governments to

identify the neediest households and the most effective interventions for lifting them out of poverty. As noted in this book, some countries are already using the MPI, rather than income, to identify and target beneficiaries of social assistance programmes.

Rapid improvements in Information and Communications Technology (ICT) are also enabling governments to quickly obtain better data, and therefore more closely monitor indicators that previously would have been quite difficult to track. These improvements in ICT make it possible for governments to identify and solve poverty problems in ways that were not possible when the MDGs were formulated in 2000.

1.2 The Adoption of the 2030 Agenda for Sustainable Development

Building on the accomplishments of the MDG agenda, in 2015 the world community took a large new step in the effort to fight global poverty. On 25 September, 2015 more than 150 world leaders attended the Sustainable Development Summit at the United Nations and approved the new 2030 Agenda for Sustainable Development. Having met the MDG target of halving global poverty rates, the new Sustainable Development Goals (SDGs) committed the global community to a new historic goal: the elimination of poverty in all its forms everywhere. To that end the 2030 Agenda includes a commitment to reduce poverty “in all its dimensions” by at least half again, in 15 years, rather than the 25-year time span for the MDGs. As in the 2000 Millennium Declaration, the effort to end poverty is again given high priority, as SDG 1. This is a substantially more ambitious goal than the previous one, because of the shorter timeframe and because the new goal will not be met unless progress in the remaining LICs is much more rapid than it has been to date.

The goal is also more ambitious in that it disaggregates the poor into different groups, and calls for poverty to be reduced for all of them; the exact target is: “by 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.”

The SDG agenda explicitly focuses on reducing inequality; “Leaving no one behind” is one of the key SDG themes, rejecting past approaches that looked at average or aggregate numbers without digging deeper to find the inequities that remain.

Finally, the goal is inherently multi-dimensional; “Poverty in all its dimensions” is to be reduced, not only income poverty. While health, education, decent work, sanitation and other aspects of multi-dimensional poverty have their own SDGs and targets, the overarching goal of reducing poverty in all its forms captures progress in all these dimensions.

1.3 China’s Poverty Reduction Experience and its Contribution to Global Efforts

China’s rapid and inclusive economic growth since its reform and opening-up era has provided a solid foundation for safeguarding the long-term stability of the world’s most populous nation and provided an opportunity for China to eliminate extreme poverty altogether. Between 1980 and 2016, China’s GDP increased nearly 25 times, with an annual real growth rate of 9.8%. Per capita GDP increased from USD 73.73 in 1980 to USD 8577.42 in 2016, with an average annual growth rate of 8.5% at comparable prices (National Bureau of Statistics of China).

The rapid and steady development of China’s economy has had an enormous impact on China’s own poverty reduction and on the world’s as well. According to the World Bank, the number of Chinese people living in absolute poverty (less than USD 1.90 per day in purchasing power parity terms) dropped from 835 million in 1981 to roughly 87 million in 2012, a decrease of over 740 million; equivalent to more than 70% of global poverty reduction in the same period. From 2001 to 2010, China reduced its rural poor population by 6.73 million each year. In 2011, China raised its poverty line to RMB 2,300 (USD 365.25), and according to this new measure 122 million people were found to be living in absolute poverty that year. From 2012 to 2017, the number of China’s poor population according to the current national standard decreased from 98.99 million to under 30 million, a

reduction of more than two thirds.¹ (Xinhua, 2018)

In addition, the nutrition, education, life expectancy and other welfare indicators of the poor have all improved. According to the MPI, China's multi-dimensional poverty rate in 2014 was 4% (OPHI, 2017), higher than the rate (1.9%) measured by the World Bank's absolute poverty line of USD 1.9 in 2013 but lower than the rate measured by the median poverty line of USD 3.1 (World Bank, 2017b). China's historic achievements in reducing poverty have played a leading role in the overall reduction in global poverty.

China's poverty reduction work in the past forty years has provided valuable lessons for the global poverty reduction cause. First, strong and sustained government support has been a key element of China's poverty reduction efforts. Poverty alleviation has become an important indicator of the work of the Party and Government, and of economic development and social progress at all levels, from central government to province, municipality, county, township and village, which has effectively promoted investment in this work of various resources. Budget allocations for poverty alleviation, represented by central and local poverty alleviation funds, have seen steady long-term growth.

Second, rapid and inclusive economic growth has been the fundamental driving force for poverty reduction in China. The improvements in agricultural productivity, the development of labour-intensive industries, and the policy decision to let regions and individuals with more favourable conditions become rich first, during the reform and opening-up era, have provided the basis for inclusive poverty reduction.

Third, China has explored a series of institutional and model innovations in poverty reduction practices. Since 1978, poverty alleviation policies and strategies have been continuously introduced, which more accurately target poverty beneficiaries in the most vulnerable areas, and in poverty-stricken counties and poor villages. Targeted poverty alleviation strategies in village households not only adapted to the evolving situation of poverty reduction but also met the development needs of different groups of people. At the same time, with the advocacy of development-oriented poverty alleviation, China has vigorously developed industries while improving infrastructure conditions that strengthen the

local economy and encourage the self-motivation of the poor to achieve sustainable and stable poverty reduction.

In addition, East-West cooperation in poverty alleviation, fixed-point poverty alleviation, and other policies advocated by China, have not only coordinated resources in the eastern and western regions and between different departments but have also mobilized social forces, providing a good example for the international community.

Fourth, China has paid great attention to international cooperation in poverty reduction. China has not only attached importance to multilateral cooperation with the United Nations and other agencies, but has also actively participated in bilateral poverty reduction activities with Africa and other areas. China has actively introduced international concepts and experiences in poverty reduction and has advocated for the establishment of platforms for sharing and cooperation which support global poverty reduction through knowledge exchange on resources and experience.

1.4 Challenges in Achieving the 2020 Poverty Reduction Goals

In its 13th Five-Year Plan (2016-2020) the Chinese Government formulated a clear poverty reduction target. In the Decision of the CPC Central Committee and the State Council on Winning the Fight Against Poverty, promulgated on 29 November, 2015, the Chinese Government proposed that “By 2020, China shall guarantee adequate food and clothing, compulsory education, basic medical care and housing safety for the poor population in rural areas; make the per capita disposable income growth rate of farmers in poor areas higher than the national average, and ensure that key indicators of basic public services are close to the national average. The poor rural population under current standards shall be lifted out of poverty; all the impoverished counties shall shake off poverty and regional overall poverty shall be resolved.” To meet this poverty reduction target, the Chinese Government has mobilised a full set of social programmes to eliminate

poverty in rural areas.

This ambitious goal, so closely aligned with the global SDG effort, has caught the attention of the entire world. A number of challenges will need to be overcome if this goal is to be attained; this will be particularly difficult in the current economic setting of the “new normal” pattern of more moderate economic growth.

First, lifting the remaining poor rural areas out of poverty is a very arduous task and will be the biggest problem in realising a moderately prosperous society by 2020. It is more costly and difficult to solve poverty problems in these regions and groups as, due to historical and other reasons, the poverty rate is relatively high and the infrastructure relatively poor. It will be very hard to fully eliminate poverty by 2020 if intense efforts are not made in these areas. Second, there has been a gradual reduction in the momentum and impact of the industries that generated so much of China’s poverty alleviation in recent decades. Greater requirements for the development of new industrial growth areas will therefore be needed to promote economic development and to alleviate poverty. Third, the rapid, rural economic development of the past now faces difficult ecological and environmental constraints in some areas. Fourth, the structural changes in the rural population and the gap between the delivery of public services in urban and rural areas have led to further decline in rural areas. Fifth, the weak social security system also poses a challenge to reducing poverty in the rural population.

1.5 Challenges After 2020

Even if the rural poor – those with incomes below the current Chinese poverty line – emerge from poverty and China becomes a moderately prosperous society in accordance with the poverty alleviation plan of the 13th Five-Year Plan, China will still face new challenges in poverty alleviation after 2020.

First, China’s economic structure is shifting from an agriculture-based economy to a manufacturing and service-based economy, and from a predominantly rural population to an urban one. This trend will continue in the coming decades.

The proportion of agricultural labour has been in decline, decreasing from 67.1% in 1980 to 29% in 2016. (The World Bank, 2017a) At the same time, the decline in demand for workers in labour-intensive manufacturing industries has posed challenges to the development-oriented, poverty reduction and industrial poverty alleviation strategy pursued by China.

Second, China's population is aging rapidly with, in 2016, the population aged 65 and over reaching 10.8% and life expectancy becoming 76.3 years (The World Bank, n.d. (a); The World Bank, n.d. (b)). By 2020, China's population of those over the age of 60 will reach 250 million, accounting for 17% of the total population (Statista). Although the "second child" policy aims to increase the birth rate, this has yet to be realised and, if it does, any increase is likely to be small. It is expected that China will reach a population peak in 2030 and the issue of aging will become even more serious, posing the risk of poverty among the elderly. (Bai, 2017) The aging society will have a huge impact on China's economic development model and social formation. It will also increase the pressure on China's poverty reduction plans, as providing relief and care for the poor elderly population, especially in the context of the integration of urban and rural areas, will become increasingly important.

Third, formulating new poverty standards will be challenging. At present, discussions on poverty standards focus on relative poverty and absolute poverty, and income poverty and multi-dimensional poverty. The poverty standard after 2020 will need to be formulated taking into consideration China's expected economic and social background after 2020, including urban and rural coordination, the regional development gap, the combination of income and other measurable indicators, as well as urban and rural re-unification, basic living allowances, poverty alleviation connection and other issues. The World Bank recently announced that, from 2018, its global poverty rates will be assessed using four different lines: USD 1.90/day for LICs, USD 3.21/day for LMICs, USD 5.48/day for UMICs and USD 21.71/day for UICs (Sanchez and Ferreira, 2017). While the USD 1.90/day line will continue to be used for aggregating the number of poor across the globe, in order to assess the progress towards achieving SDG 1, the new, higher lines more closely reflect the economic and social conditions in most countries.

Fourth, developing poverty alleviation strategies that integrate urban and rural areas will also be challenging. With the realisation of a moderately prosperous society by 2020 and further improvements in urbanisation, China will be confronted with new characteristics in poverty alleviation and development, different from those of the previous rural poverty alleviation and development programmes. In 2016, China's urbanisation ratio reached 57.4% and is expected to reach 70% by 2030 (The World Bank, n.d. (c)). A large number of labourers have migrated and, in 2016, the total number of migrant workers in China had reached 282 million, accounting for 21.5% of the total population. (Statista, 2016) People who have moved from rural areas to urban areas may, for various reasons, find themselves among the new urban poor, which could result in severe social problems. Reducing poverty among these poor population groups will be more difficult than in earlier years. It also means that after 2020, China will need to focus on a poverty reduction strategy that integrates urban and rural areas. An in-depth analysis will need to be undertaken related to the causes of urban poverty, covering social welfare, the social security of migrant workers, new citizens and original citizens, along with the corresponding policy requirements for poverty alleviation after 2020. At the same time, the focus on poverty alleviation in rural areas will also need to continue.

Fifth, developing poverty alleviation programmes that are environmentally friendly and consistent with the new requirements of climate change will pose new challenges. The 2011 poverty alleviation programme underscored the need for “green” poverty reduction, and aimed to achieve sustainable poverty reduction while preserving the precious natural resources of poverty-stricken rural areas. However, considerable challenges exist when trying to develop a win-win solution to achieve poverty reduction goals through environmental protection and sustainable development. China's voluntary resettlement plan and land fallow plan for 2011-2020 will continue to support green poverty alleviation. However, an evaluation and analysis of the impact of this plan on the environment and the effects on the stabilisation of farmers' incomes will be needed.

Sixth, seventh, further improvements to the poverty alleviation system and related mechanisms will be required. In the context of post-2020 poverty alleviation, new poverty alleviation systems and mechanisms will need to be

explored, including an urban and rural integration mechanism; the division of responsibilities in the poverty alleviation system, in particular the division of labour among government, markets and social organisations; the capacity-building of local governments; and the mobilisation of financial and social resources, all of which should be clarified and strengthened.

Having achieved such great progress in poverty alleviation since the launch of the reform and opening-up era, China will have to overcome the challenges outlined here, both in the years leading up to 2020 and afterwards.

1.6 Objective of This Book

The eradication of extreme poverty is a priority goal globally; it is also a priority goal in China. As noted above, China's progress in reducing poverty to date has contributed substantially to global efforts, and provides many relevant lessons for potential ways to achieve the 2030 Sustainable Development Goals.

Equally, global experience can provide valuable lessons for China. As an UMIC China's new poverty challenges are quite different from the earlier era when China was a LIC with widespread poverty. The key UMIC poverty challenges of vulnerability and inequality are now at the forefront of China's poverty alleviation agenda, while strong efforts continue to be launched to solve the problems of the remaining pockets of absolute poverty in rural areas.

In order to provide a useful resource for China's current and upcoming poverty alleviation efforts, the authors of this book have undertaken to capture the global strategies, concepts and key practices of the United Nations system in addressing the goals of poverty reduction in the 2030 Sustainable Development Agenda. The purpose is to organise and summarise ideas and practices that could prove useful as China moves ahead with solving the current problems of poverty reduction in China, and to introduce the advanced international poverty reduction experience gained through poverty reduction work and data.

A second volume is also being prepared, which will present key lessons from

China's poverty alleviation experiences to the international community. Because the Government of China is currently concentrating on eradicating the remaining extreme poverty, it was agreed that the international experience book would be written first, as a small contribution to China's efforts, and the second book would be published later.

1.7 Methodology

This book has been written using a three-step process:

1. Initial consultations between the Ministry of Commerce, the International Poverty Reduction Centre of China and the office of the United Nations in China, regarding the goals, outline, format and timeframe for the two books.
2. Intensive outreach to UN agencies, other development organisations, and research institutes in China and around the world, to gather material on the most relevant experiences in poverty reduction, supplemented by desk reviews by the authors of available online content. In person discussions were also held with a number of development organisations. The materials gathered were analysed and assembled into a series of case studies, constituting the main content of the book.
3. Further consultations with all parties regarding the draft of the book, identifying additional topics and gathering additional case studies, to increase the usefulness of the book for poverty reduction offices in China.

1.7.1 Case Study Selection

The topic of international experience in poverty reduction is a vast one, thus specific criteria were used to select the most appropriate case studies. The most important criterion was the relevance to China's poverty reduction challenges, which was identified in several ways:

1. Sectoral choices: selection of sectors that are part of China's poverty alleviation plans, such as industrial development, ICT, education, and

health.

2. Focus on both 2020 and 2030 poverty reduction challenges: while most of the cases focus on rural poverty reduction, urban poverty is also discussed, as this will be an increasingly important focus in China as the country continues to grow.
3. Selection of countries: when possible, preference was given to experiences from middle income and, indeed, upper income countries. As conditions in some of the remaining pockets of rural poverty in China are often similar to those in lower income countries, case studies from some LICs were also chosen.
4. Selection of beneficiaries: case studies involving population groups that are also the focus of China's poverty alleviation agenda, such as young children, adolescents, women and the elderly.
5. Timeliness: preference for more recent experiences rather than older ones.
6. Innovation: preference for more innovative approaches that could suggest new ideas to Chinese readers.
7. Role of development assistance, from the United Nations and other international organisations, such as the World Bank and Asian Development Bank.

1.7.2 Overlapping Case Study Subjects

The case studies in this book are organised by sector and by theme. For example, there are sections on culture and tourism, education, and rural development, and there are also sections on gender, programme management and urbanisation.

The case studies have been coded and indexed as follows:

Sector	Programme Management Theme	Intended Beneficiaries
Agriculture	Cross-Departmental Coordination	Women
Finance	Targeting	Children
Education/Training	Monitoring and Evaluation	Adolescents
Health	Private Sector Involvement	Elderly
Information and Communications Technology	Community-based Approache	Informal Sector Workers
Culture	Financial Management/ Corruption	
Environment		
Social Protection		
Nutrition and Food Security		

The book's appendix contains an index detailing which case study relates to which code. Some case studies inevitably touch on more than one sector, theme or target group, and that is reflected in the coding.

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Chapter Two: Poverty Reduction Through Inclusive and Sustainable Economic Growth

Inclusive economic growth has been at the heart of China's poverty reduction achievements over the last four decades. Inclusive growth can be understood as growth that generates a large volume of good quality employment and other livelihoods opportunities, shared broadly and equitably among the population, with policies that overcome the social exclusion faced by marginalised groups, including those living in or on the edge of poverty. China's outstanding record in generating rapid growth that improved the livelihoods of virtually the entire population can serve as a model for the world.

China's poverty reduction strategy for the coming years continues to emphasise inclusive growth, or “development-oriented poverty reduction”, as its core, aiming to lift the remaining rural poor out of poverty through developing sectors and building skills that generate employment and income for them, and link them to the broader national and global economy. China's current plan to eliminate absolute poverty by 2020 projects that half of the rural poverty reduction will be achieved in this way. The State Council's Poverty Alleviation Plan for the 13th Five-Year Plan Period (2016-2020) points out that China's main challenges for realising the 2020 poverty reduction goals include a lack of vitality and structural diversity in sectoral development, environmental challenges, limited employment channels for the poor population, and difficulty in transferring employment and increasing income.

In today's era of the Sustainable Development Goals, the concept of inclusive growth has been broadened in one key respect, by the addition of the concept of sustainability. (United Nations Development Programme. (UNDP), 2017) The global community has recognised that growth that depletes scarce non-renewable resources, that generates waste and pollution more rapidly than the ecosystem can assimilate, or that uses renewable resources so rapidly that their supply is reduced, cannot be sustained. The key to achieving inclusive and sustainable growth is an integrated approach to policy making that equally prioritises economic, social and environmental factors and recognises that none of these can be neglected.

Today, China is playing a leading role in global efforts to integrate sustainability concerns into the growth and poverty reduction agenda, partly in acknowledgment of the environmental stresses that the rapid growth of recent decades has generated, and partly in recognition of the environmental challenges the country faces as it seeks to continue its strong development. China's effort to build an "ecological civilisation" alongside its efforts to continue raising incomes, reducing poverty and reducing inequality captures this perfectly. Environmental sustainability is flagged as both a challenge to continued reliance on the growth models of the past, and as an opportunity in shaping a new model.

In this chapter, we explore international experience in promoting inclusive and sustainable economic growth as a means of alleviating poverty. We focus on work in four sectors whose importance is also stressed in the Chinese Government's Poverty Alleviation Plan for the 13th Five-Year Plan Period; poverty reduction through agricultural sector development, poverty reduction through preserving and tapping the economic potential of cultural resources, poverty reduction through ICT development, and poverty reduction through inclusive financial services. Programmes that integrate environmental factors into livelihood support are presented, along with others that address the small and often uneconomical scale of much rural household production, the lack of business skills, a lack of access to appropriate financial services and to technical support.

2.1 Poverty Reduction Through Agricultural Development

About 75% of the world's poor people live in the countryside and maintain their livelihoods and food security through agriculture. According to data from the FAO, there are 475 million small-scale farms in the world covering a land area less than two hectares, accounting for 80% of all farms. However, their land area takes up only 12% of total agricultural land. For many of the rural poor, agriculture is still a subsistence activity.

The ability of the rural population to rise out of poverty and make agriculture an income-generating activity through increased output, higher value crops and produce, and engagement in commercial operations is constrained by many factors, including lack of access to financial resources, poor management of land, water and other natural resources, poor infrastructure, limited business services, technologies and difficult access to input and output markets. Moreover, increasing climate volatility and other environmental factors increase the vulnerability of rural poor people's livelihoods and hinders rural economic development.

UN efforts to alleviate poverty through the development of the agricultural sector have included many types of support; innovative approaches to green agricultural production, support for new rural production organisations such as cooperatives, building capacity for improved management, support for agribusiness development, environmental risk management, and value chain development. Improvements in agriculture contribute to poverty reduction beyond their direct effect on farmers' incomes. (SOAS, n.d.) Agricultural development can stimulate economic development outside of the agriculture sector, and lead to higher job and growth creation. Increased productivity of agriculture raises farm incomes, increases food supply, reduces malnutrition and provides greater employment opportunities in both rural and urban areas.

Agriculture is also at the centre of a transition to a resource-efficient, low-carbon green economy. The UN believes that the challenge of feeding more than nine billion people by 2050, along with tackling climate change and maintaining productive land and sufficient water resources requires a more intelligent pathway

for managing the world's agricultural systems. Such a pathway must ensure that investments in sustainable smallholder agriculture go hand-in-hand with policy and institutional reforms, investments in infrastructure and improvements in market access and access to other public services, including financial capital and agricultural technology. They must also be informed by the knowledge and needs of the rural poor so that their voice is not neglected.

Agricultural development is linked directly to other sectors such as ICT, finance, infrastructure, nutrition, health and education. Several case studies pertaining to poverty reduction through agricultural development have been presented in those and other sections of this book.

China's experience in promoting rural development as a means of reducing poverty is one of its greatest successes. The rest of the developing world can learn many useful lessons from that experience. At the same time, there are valuable lessons to be gained from the experience of other countries as well. This section presents case studies from the work of UN agencies in supporting agricultural development in other developing countries, much of which holds relevance for the Government's rural poverty alleviation efforts in China.

2.1.1 Introducing and Promoting Green Agricultural Practices

One of the most important global focuses of UN assistance in agricultural development is the introduction of green, sustainable approaches to resource management and agricultural development in poor rural areas. There has been an inaccurate tendency in some areas to view environmental considerations as an obstacle to improving rural livelihoods. In fact, one lesson that the world has now learned well is that, unless there is an environmentally sustainable foundation for the growth of livelihoods, the people who will suffer most from the negative consequences of resource depletion and environmental degradation are the rural poor themselves. These perspectives have gained even greater weight in recent years as the need to mitigate the impact of climate change has become clearer. Green agricultural practices help alleviate environmental degradation and poverty and achieve a win-win situation for both the environment and economy. Since ecosystem services are the most directly dependent on improved food security and livelihoods for the poor, improving productivity and labour returns on agricultural

products while improving ecosystem services are key to achieving these goals.

A green agenda for sustainable agricultural growth has emerged globally in recent years, and offers many benefits to small farmers. (IFAD, 2011a) It is based on a more systemic approach to the sustainable management of natural resources, using an agroecological perspective on the choice and quantity of inputs, maximising synergies across the agricultural cycle and pursuing adaptation to climate change. Soil fertility can be enhanced using a combination of organic, biological and mineral resources, with less use of external inputs. A key focus is the better management of water resources, including increases in the water bearing capacity of soil.

One key feature of this approach is that it is participatory; it builds on farmers' knowledge of local conditions by providing them with skills and tools that help them make the best decisions about their farming practices. In many countries, this integrated and participatory approach has yielded impressive results for small farmers, including enhanced productivity rooted in better use of local resources, greater resilience to climate stress and greater ability to take advantage of market opportunities.

2.1.1.1 Examples of Integrated Sustainable Agricultural Development Programmes

The following case study presents an innovative IFAD project in China, as an example of how environmental issues can be a central focus of an integrated rural agricultural development project. It achieved impressive results in reducing poverty in Southern Gansu.

Case Study 2.1.1: The South Gansu Poverty Reduction Programme (PRP) 2005-2011 (IFAD, 2017)

[Themes: Agriculture, Environment, Private sector involvement, Women, Adolescents]

This programme, supported by IFAD (IFAD, 2017) with additional funding from the WFP, has helped to transform arid plains into a green corridor of agricultural activity, has eliminated chronic hunger, and improved livelihoods and

community health for the farming households in the south of Gansu Province. Through a range of innovative technologies and solutions, the programme addressed multiple causes of poverty, and empowered local communities to take charge of development activities most responsive to their specific needs.

The programme was designed in a participatory manner. Villager groups were invited to choose what they considered to be the most valuable poverty reduction actions for them, and these activities were implemented in every village. The poverty reduction activities supported by the programme were divided into three strategies: agricultural activities based on improving farmland, rural financial services, and providing social development opportunities.

The agricultural activities under this programme included investment in irrigation, improving animal husbandry production, improving technical agricultural services, and planting trees in areas suffering from ecological degradation. Activities utilised simple new technologies, for example plastic mulching covers to improve the soil, and biogas technology to modernise agriculture. Rural financial services included small loans to allow farmers to make investments in production activities. Social development included improvements in health, education, and other social infrastructure, and a programme to carry out literacy training for women in the region. Through providing a series of mutually complementary poverty reduction activities and offering extensive and multiple options to the local population, the programme solved poverty issues caused by multiple factors in the region. To ensure that those in most need receive assistance, households are reassessed every year.

Specific outcomes were achieved by the programme. In 2006, before the programme began, more than a quarter of the households in the south of Gansu Province had to endure four months of the “hungry season” which sometimes occurred twice a year. By 2012, following implementation of the programme activities, the “hungry season” had been eliminated and the lives of the local residents therefore became healthier. Community health conditions had also improved, and the rate of chronic child malnutrition and neonatal mortality ratio had both decreased. Literacy rates among youths began increasing, and by 2012, 97% of people from the communities where the programme was implemented could read and write.

Soil depletion is the fundamental reason for the poverty of the region. Afforestation, restoration of pastureland, and improvement of grass crops production are all directly linked to soil quality. The programme improved nearly 6,000 hectares of land through actions including afforestation, restoration of pastureland, and building hillside terraced fields, which increased yield per unit while reducing fertiliser input. During the implementation of the programme, more than 170,000 farmers increased their household assets. The combined impact of this programme and overall national economic growth has enabled the local population to purchase refrigerators, washing machines, and even motorcycles. Household appliances reduce time-consuming housework activities and allow people, especially women, to become more focused on agricultural production and generating incomes.

With appropriate support, small family farms can become a model for achieving sustainable growth, ensuring food security and mitigating rural poverty. A project implemented by the FAO in several countries in Europe and Central Asia, including Albania, Armenia, Georgia, Kyrgyzstan, Moldova, FYR Macedonia and Tajikistan is working to achieve this goal.

Case Study 2.1.2: Empowering Smallholders and Family Farms for Improved Rural Livelihoods and Poverty Reduction (FAO, 2017)

[Themes: Agriculture, Environment, Community-based approach, Cross-departmental coordination]

This FAO initiative covers parts of Europe and Central Asia, and uses a complex, multi-disciplinary and area-based development approach specifically tailored to the region. The overall goal is to address the key problems of rural people by empowering smallholders and family farms to improve their livelihoods. Elimination of rural poverty, improving the resilience of rural populations and inclusive growth for rural economies based on the sustainable use of natural resources are the basic principles of the initiative.

The work focuses on technical issues, such as animal health, production and phytosanitary requirements, and also on social, economic and environmental aspects. Inclusiveness with respect to gender and vulnerable groups is also a key

principle. The key goals are the increased participation of farmers and rural communities in national development, the enhanced sustainable and inclusive growth of rural economies, and improved sustainable management of natural resources. The specific activities include:

- Conducting studies on smallholders and family farming in each focus country, with a view to scaling up country programmes for a more significant contribution to the region;
- Strengthening small producers and family farm organisations, at both the community and policy levels, in several countries;
- Promoting aquaculture and culture-based fisheries in Tajikistan and alternative uses of water resources in Armenia;
- Developing farmer field schools in Kyrgyzstan to promote modern crop management techniques;
- Enhancing rural services such as advisory services, and supporting the development of a national land consolidation programme in FYR Macedonia;
- Supporting the rehabilitation of seed production systems, and of integrated pest management practices for smallholders in Georgia;
- Strengthening cooperation among farmers and improving agricultural extension services;
- Developing national rural development strategies with ministries of agriculture for improved programme preparation, policy making, monitoring and implementation processes.

The Global Environment Facility (GEF) is a partnership of 18 agencies, including UNDP, UNEP, FAO and IFAD as well as the major international development banks and other international NGOs and organisations. Since its establishment in 1992, on the eve of the Rio Earth Summit, it has financed more than USD 17 billion in grants and mobilised USD 88 billion in other funding for more than 4,000 environmental initiatives in 170 countries. The following project in Brazil was financed jointly by the GEF and the World Bank.

Case Study 2.1.3: Rio de Janeiro Sustainable Integrated Ecosystem Management (World Bank, 2013)

[Themes: Agriculture, Environment]

The Rio de Janeiro Micro-Basin Rural Development Programme in Brazil promotes integrated agricultural ecosystem management to support sustainable development in the rural areas of Rio de Janeiro, with the aim of empowering farmers and raising awareness among farmers about environmental issues. The project is jointly financed by the Global Environment Facility (2006-2011), the World Bank (2010-2018), federal and state government projects and the private sector, and is implemented by the Rio de Janeiro State Secretariat for Agriculture and Livestock.

The project has resulted in the following outcomes:

- By the end of 2011, 2,254 family farmers in 48 participatory micro-catchment councils had invested in 2,728 sub-projects, representing the adoption of over 4,000 separate conservation practices on 31,360 hectares of farmland.
- Of these farmers, 588 organised themselves into 87 groups and implemented small-scale agro-industrial ventures producing environmentally-friendly goods and services.
- Women took on leadership responsibility for 245 sub-projects.
- Farmer livelihoods improved: pasture rotation, poultry and honey production investments showed increases in average rates of return from 26.2% to 59%. The cost-effectiveness of environmental impacts was positive across a range of investments.
- Soil structural stability improved in 48 micro-catchment areas, from investments in pasture rotation, soil conservation equipment, agro-forestry systems and riparian forest restoration.
- Carbon storage exceeded 19,000 tons by end-2011, as a result of 224 pasture rotation investments.
- Environmental education events in 24 municipalities benefitted 5,700 individuals. The events stressed the importance of integrating environmental, economic, and social concerns. This was reflected in the

many farmers who subsequently made conservationist investments at their own expense.

- A Payment for Environmental Services (PES) mechanism was enacted by State Decree (see section 4.3.6 of this book for more information on PES), and its operational, institutional, and financial arrangements were defined.

2.1.1.2 Organic Agriculture

A recent Asian Development Bank (ADB) paper outlines the positive contributions of organic agriculture to poverty reduction and SDG achievement, based on a series of studies from 2005-2006 financed by the Asian Development Bank Institute. (Sununtar & Elsbeth E., 2017) The studies revealed that organic agriculture can offer an array of benefits to smallholders. In terms of income, farmers producing organic products have a higher income than those producing conventional agricultural products, with the differences ranging from 10% (a study of Thai rice production) to 75% (a study of tea production in Sri Lanka). Similar results were reported in other studies, including a 2013 report by FAO. (Sununtar & Elsbeth E., 2017) Profitability is higher both because of the ability to obtain higher prices for their outputs, and because of the lower cash cost of inputs when organic approaches are utilised. Interestingly, the ADB paper found that organic agriculture is also more labour intensive and generates more employment than conventional methods. Organic farming tends to be more diversified than conventional farming, thereby reducing the risk of crop failure and output price fluctuations.

Organic food products increase the health of both consumers and producers, who consume their own product. Crucially, the use of organic technologies and reduced use of pesticides, herbicides, growth hormones and other similar chemical inputs, leads to marked improvements in both soil and water quality, which will have a very positive impact on the health of the rural population.

Case Study 2.1.4: Uganda Organic Agriculture (Sununtar & Elsbeth E., 2017)

[Themes: Agriculture, Environment, Women, Children, Adolescents]

Uganda has taken a significant step forward by converting conventional agricultural practices into organic farming systems, which has generated important economic, social and environmental benefits.

In Sub-Saharan Africa, Uganda's use of fertilisers is less than 12% (or 1kg/ha.) of an already low average of 9kg/ha. in the African continent. The profits from exported organic products by farmers and their related taxes are a significant source of foreign exchange earnings in Uganda. The exports of certified organic products increased from USD 3.7 million in 2003-2004 to USD 6.2 million in 2004-2005, and again to USD 22.8 million in 2007-2008. Further studies conducted by the United Nations Environment Programme (UNEP) and UNCTAD regarding issues such as farmer price premiums and incomes, revealed that farm-gate prices for organic pineapple, ginger and vanilla were respectively 300%, 85% and 150% higher than traditional farm products.

Through organic farming, Uganda not only achieved economic success, but also made an important contribution to climate change mitigation. According to assessments, the average greenhouse gas emissions per hectare of organic farms is 64% lower than that of conventional farms and organic agriculture saves 3-8 tons of carbon per hectare compared with conventional agriculture.

In 2004, Uganda adopted the Uganda Organic Standards policy and, in addition, the "East African Organic Product Standard", a regional policy developed under a joint UNEP-UNCTAD initiative. In July 2009, the Government released a draft Organic Agriculture Policy for Uganda. The draft policy described the vision, mission, goals and strategies of organic agriculture as one of the ways to achieve self-sustaining growth, providing individual farmers with the mechanisms for self-sustaining improvements in productivity, value added and access to markets. The policy was drafted following interventions in nine policy areas: promoting organic agriculture as a useful complement to agricultural production systems; developing a system of standards, certification and accreditation; strengthening research to promote technology development and dissemination; supporting the development

of local, regional and international markets for organic produce; enhancing information convergence through education and training to improve knowledge and skills in organic farming; improving post-harvest farm disposal, preservation, storage and appreciation of products; sustainable use of natural resources; and promoting the participation of special interest groups such as women, youth and the poor.

As a result, Uganda was able to reduce the use of chemical inputs, realise the comparative advantages of organic farming, broaden its organic agricultural base and increase the income of small farmers.

2.1.2 Developing Agricultural Cooperatives to Form Economies of Scale

Many poor farmers lack financial services and technical support for agricultural production. As a result, their products stay at a low market-oriented level. Developing agricultural entities and enhancing the organizational level of agricultural production in poor areas can utilize the advantages of large-scale farming and improve economic benefits. As large-scale production organizations, agricultural cooperatives are playing an important role in poverty reduction globally. Cooperatives have a membership of over one billion globally, and 30% of the largest of them are engaged in agricultural production. (FAO, 2017)

Case Study 2.1.5: Vietnam Establishes Agricultural Production Organizations and Provides Training for Members (FAO, 2017)

[Themes: Agriculture, Cross-departmental coordination, Education/Training]

In 2017, the FAO and the National Farmers Union of Vietnam established a non-official group on the management and operation of forests, and registered it as an agricultural production organisation via the FAO's Forest and Farm Facility Programme. This programme organised scattered farmers to form agricultural production cooperatives and carry out larger-scale agricultural production. The programme provided poor rural residents with training on sawmilling skills and forest business models to enhance their development, build their enterprises, improve their market access and services and better manage their natural resources.

After completing the FAO training, members raised funds to invest in small-scale lumber-mills and, after seven months, had increased members' income by 10%. Influenced by this case, other farmers also applied to become members of the cooperatives and eventually were also able to increase their income. This FAO Forest and Farm Facility Programme currently cooperates with 500 producer organisations and has 40 million members around the world.

Case Study 2.1.6: Georgia Provides Policy Support to Enhance Rural Cooperative Development (Chitaia, 2017)

[Themes: Agriculture, Cross-departmental coordination, Monitoring and Evaluation]

This is one of the national projects supported under the FAO's "Empowering Smallholders and Strengthening Family Farms", described in Case Study 2.1.2; the FAO actively promoted the EU-financed European Neighbourhood Programme for Agriculture and Rural Development (ENPARD). This project was initiated in Georgia in 2013, aiming to enhance cooperation between small farmer households, strengthen the competitiveness of rural cooperatives and increase productivity by developing sustainable agriculture. The main measures of the ENPARD included:

1. Regulating the production and operation of cooperatives by formulating rural cooperative laws. With the support of the FAO and the EU, Georgia formulated a rural cooperative law to encourage farmers to participate in rural cooperatives and promote large-scale and organised agricultural production.
2. Establishing rural cooperative management organisations to promote cooperative development. In July 2013, the Ministry of Agriculture of Georgia established the Agricultural Cooperatives Development Agency (ACDA) based on the rural cooperative law. As the implementing agency of the law, ACDA has four basic functions: (i) awarding or cancelling rural cooperative organisations; (ii) establishing rural cooperative databases; (iii) monitoring the operations of rural cooperatives; (iv) implementing national investment and consulting programmes to support the development of small rural cooperatives. Over 1,500 small rural cooperatives are now registered in the database of ACDA, and this number continues to grow.

3. Supporting cooperative development through national investment programmes. With EU financial and technical support, the Government of Georgia has established a series of investment programmes to provide agricultural equipment and support the sustainable development of rural cooperatives. The Government has currently provided 1,700 items of agricultural equipment for 667 cooperatives, with a total Government investment of EUR 1.67 million.
4. Improving the ability of farmers to acquire information. With support from the EU, the Ministry of Agriculture of Georgia established a number of Information and Consultation Centres (ICCs) to provide information and consulting services for local farmers. By 2017, the ICCs had assisted 300,000 farmers. The information provided by these Centres covers law, taxation, modern agricultural plantation technology, harvesting technology and storage technology. The project also provided support for the preparation of brochures which provided agricultural information for farmers.

2.1.3 Extending the Value Chain of Farm Products to Increase Farmers' Incomes

Agricultural production has the lowest added value and earning rates in the whole agricultural value chain. In poor areas, extending the value chain of farm products can significantly increase the income of farmers.

Case Study 2.1.7: Vegetable Oil Development Project in Uganda (IFAD, 2011b)

[Themes: Agriculture, Cross-departmental coordination, Women]

In April 1997, the IFAD Executive Board began implementing the Vegetable Oil Development Project (VODP). In the northern regions of Uganda, the land was depleted, rainfall was scarce and the weather unpredictable. Following the introduction of stringent Government policies, the poverty rate fell from 56% in 1992 to 31% in 2005. However, poverty reduction remained slow in the north of the country.

To address this issue, the VODP adopted a comprehensive way to extend the

value chain, increase farmers' income and boost economic growth. This modality involved Government cooperation with oil crop planters and stakeholders at the institutional level. The VODP contained three sub-projects: the oil palm sub-project, the traditional oilseed sub-project and the essential oil sub-project. The first two projects introduced new crops, improved the access of farmers to financing and organised farmers to participate in economic management activities to improve food security and increase their income. The third sub-project targeted the processing of traditional oilseed, and used modern technology to extract essential oil from farm products and produce perfume, cosmetics and medicines, thus extending the value chain, increasing the added value of farm products and, through this, alleviating rural poverty.

2.1.4 Enhancing Agricultural Risk Management

Agricultural production is highly vulnerable to climate change, natural disasters, market changes and other risks; enhancing risk management is therefore one key to safeguarding farmers' livelihoods. Some of the most important ways in which UN agencies help farmers improve their risk management is through diversifying field crops, developing climate-smart agriculture to mitigate climate change vulnerability, improving agricultural infrastructure and adding technological inputs.

One example of a project that features these goals is IFAD's Nicaragua Adapting to Markets and Climate Change (NICADAPTA) project, launched in 2013. The project was designed to improve the incomes and quality of life of rural families and reduce their vulnerability to the impact of climate change by facilitating their access to coffee and cocoa markets. NICADAPTA is developing sustainable coffee and cocoa production to enhance the competitive position of small farmers' cooperatives, while promoting practices that facilitate adaptation to climate change and to new market conditions. The 2013-2019 project covers all Nicaragua, but focuses its activities in areas where cocoa and coffee are grown and traded (Estelí, Jinotega, Madriz, Matagalpa, Nueva Segovia and Río San Juan Boaco) and in communities and territories in the Caribbean Coast autonomous regions. The project directly benefits 40,000 households. (International Fund for Agricultural Development (IFAD), accessed 2018)

Another example is that of the Philippines, where the main food source is

rice. While the population of the Philippines grew rapidly and urbanisation sped up in recent decades, food production continued to grow slowly, and thus food imports increased. With support from the FAO and the International Rice Research Institute (IRRI), the Philippines began to develop new varieties of rice to increase food production.

From 1988 on, the Philippines introduced a type of hybrid rice and assessed its local performance to judge whether it could adapt to the local environment. Following the assessment, the hybrid rice was “bred” and commercialised. Concerned that the new variety would not adapt to the environment and result in food loss, the Philippine Government provided subsidies for hybrid rice seeds to encourage farmers to plant. By 2005, the total acreage of hybrid rice had reached 370,000 hectares, about 9.1% of the total rice acreage nationwide. Once the adaptability of the hybrid rice had been confirmed, the Government reduced the subsidies and added capital input for hybrid rice research and promotion. Several hybrid seed varieties, selected by seed institutions and public institutions, have now been introduced. These varieties have effectively increased the demand for food production by farmers, have reduced hunger and have had a positive impact on poverty reduction.

Case Study 2.1.8: “The grains in salt”: A Story of Jun Hernan (FAO, n.d.)

[Themes: Agriculture, Cross-departmental coordination]

The land in the coastal barangay of Boton, Casiguran in the Philippines, suffers from saltwater intrusion and traditional rice varieties are unable to adapt to the environment, resulting in a severe decrease in production. Jose Jun Hernan, a local rice farmer, realised the effects saltwater intrusion would have on his rice production and with assistance from the FAO began planting a saline-tolerant variety of rice (NSIC Rc-182). Compared to traditional varieties, this rice variety has a lower per-unit yield, but it is more resistant to salty water, thus losses are avoided.

When Jun Hernan observed that the salt-resistant rice variety was performing well, as an official of the Boton Irrigation Association (BIA), he began sharing his knowledge with BIA members and local farmers to teach them how to plant

suitable seeds based on local conditions thereby increasing output.

Climate change has become a key challenge faced by the global community. Droughts, storms and floods are more frequent and more violent. The FAO uses climate smart agriculture to adjust and transform the agricultural system and protect food security and the livelihoods of farmers by helping them adapt to climate change.

Case Study 2.1.9: Climate Smart Agriculture in Small Farming Systems (FAO, 2017)

[Themes: Agriculture, Education/Training, Cross-departmental coordination, Women, Adolescents]

Through the FAO's Mitigation of Climate Change in Agriculture (MICCA) programme, two pilot programmes were implemented in Kenya and Tanzania from 2010 to 2014. Around 10,000 farmers improved their skills and learned how to integrate climate smart agriculture into local farming systems and landscapes.

In Kenya, the FAO coordinated the relationship between plantation, husbandry, forestry and fishery practices and adopted more effective management methods to reduce greenhouse gas emissions in the agricultural system. In the Uluguru Mountain region in Tanzania, 4,948 families received training and applied soil and water resource protection to farm management.

As a result of the project activities, agricultural productivity increased, incomes rose significantly, and the farmers' ability to adapt to climate change improved.

Droughts, floods, earthquakes, storms and other natural disasters cause losses of USD 300 billion globally each year. In poor and ecologically fragile countries, disasters will exacerbate poverty. Using technology to resist natural disasters is a main feature of technological poverty reduction and this has been an area supported by the FAO in several countries.

Case Study 2.1.10: Disaster Resistance Has become a Part of Agricultural Management (FAO, 2017)

[Themes: Agriculture, Education/Training, Cross-departmental coordination, Women]



Cotabato, in the middle of Mindanao in the philippines, is an area that has become extremely vulnerable to natural and man-made disasters; it is also one of the poorest provinces in the country. The FAO has been working in the region and has opened climate smart farmer field schools to help communities change the production methods used for rice, corn and vegetables, all main sources of income and all frequently damaged by droughts and floods.

The farmer field schools teach courses that include climate information utilisation, weather consulting, and promote the use of technology; while through field activities skills such as how to use rain gauges, and how to prevent mice, black bugs and other pests, are taught.

Through the field practice, the students observed and analysed the agricultural ecological system, learned about disaster causes and possible mitigation, and used their new-found knowledge to find solutions and solve planting-related problems. (FAO, 2017) Through training, such as seminars on disasters, farmers can discuss problems, listen to experts' suggestions and master new anti-disaster methods.

The key component of this project is education. Using the information, experience and knowledge on how to transform agriculture, provided by FAO experts, and the utilisation of that experience in communities thus creating a culture of exchange and learning, is key to the success of the project.

One of the greatest agricultural risk factors is unreliable access to water, a vital component of production. Ensuring reliable access to water must be addressed at many levels - household, community and policy. The Agriculture Water Management Solutions Project was a highly innovative multi-agency initiative that developed solutions to the challenges at all those levels.

Case Study 2.1.11: Agriculture Water Management Solutions Project (FAO, 2018)

[Themes: Agriculture, Environment, Cross-departmental coordination]

The Agriculture Water Management Solutions Project was implemented in five countries in Africa and two states in India between 2008 and 2012. Its motivation was to help develop a strong set of tools for policy makers, aid agencies, NGOs, communities and small farmers themselves, to improve agricultural water management in smallholder agriculture. Reliable access to water is an essential condition for smallholder agriculture, enabling it to become an engine for growth, poverty reduction and improved nutrition. The inability to effectively manage water is often the key obstacle preventing small farmers from transforming their production from a subsistence activity into a source of reliable income and a means to escape poverty.

The leading implementing institutions of this project were the FAO, the International Water Management Institute (IWMI), the Stockholm Environment Institute (SEI), the International Food Policy Research Institute (IFPRI) and International Development Enterprises (iDE). The work was funded by a USD 9 million grant from the Bill and Melinda Gates Foundation of the USA.

The project's activities in Burkina Faso, Ethiopia, Ghana, Tanzania, Zambia and India covered a wide range of technologies and larger scale engineering activities, including access to improved pumps, construction of small reservoirs and river diversions, research into financing options for farmers to allow them to access equipment and technologies, well drilling, conservation agriculture, gender issues, use of rainwater harvesting, and drip irrigation. An analysis of options for policy makers was a major component. By organising this as an integrated project across countries and agencies, the project was able to broaden the available information for all parties, and to scale up successful pilot projects.

The project helped to unlock the potential of smallholder farming by focusing on agricultural water management (AWM) solutions. This included identifying technologies as well as the necessary supporting policies, institutions and business models to make AWM solutions available and viable, so that poor farmers could benefit from them.

2.1.5 Poverty Reduction Through Agricultural Development: Conclusions

- *Move beyond the old attitude that environmental concerns impose limits on agricultural development and fully recognise green agricultural production as the central approach to agricultural development in poor areas.*

Integrated approaches to agricultural production that fully incorporate improved management of natural resources and other environmental management issues are a win/win/win situation; a healthier environment, healthier agricultural products for consumers in both rural and urban markets, and improved livelihoods for farmers. Organic agriculture, participatory development of local-based agricultural technologies that draw on local knowledge and resources and preserve the local natural and cultural heritage, climate change mitigation, and government investment at national and local levels in improved water and other ecosystem management, are all ways for the rural poor to emerge from poverty.

- *Take full advantage of the opportunities for poverty reduction through e-agriculture, mentioned in section 2.3.4, and inclusive finance, mentioned in section 2.4.*

Strong linkages exist among all the sectors and themes presented in the different sections of this Chapter, and in the other chapters of this book as well. Examples of international experience that is particularly relevant to rural poverty reduction and agricultural development are also presented throughout the book. These should be carefully examined.

- *Improve the operation and regulation of agricultural cooperatives.*

The Chinese Government could make fuller use of incentive policies to stimulate the participation of leading enterprises in poverty reduction. Their participation in agricultural cooperatives not only solves the problem of

limited access to financing and technical shortcomings, but also helps to optimise the business management and operational model of agricultural cooperatives and sharpens their competitiveness. At the same time, the Government can provide training on business management and operation for cooperative members to enable them to operate independently.

The Government can also strengthen the legal environment for cooperatives by enacting new laws and regulations regarding their legal status and operations. The key factors for the successful operation of agricultural cooperatives include the choice of agricultural industries, the income distribution model of agricultural cooperatives, and so on. When the cooperative is established, the contract should clearly stipulate the operational model and income distribution, and give priority to poor members when providing capital and technical support and distributing profits, to ensure the income of poor farmers from agricultural cooperatives.

- *Extend the value chain of farm products.*

Programmes could establish additional processing enterprises in poor areas to increase the added value that the rural population capture from their production, extend the shelf life of farm products, expand market demand and increase farmers' incomes. Farm product research institutions that study advanced technology could be further developed, and farm product processing areas expanded. Taking the pomelo industry as an example, programming should take steps so that pomelos are collected, selected, washed, squeezed, extracted and processed into juice and jam in the areas where they are grown. Farmers could receive support in developing unique product brands and use the brand effect to propel local agricultural development. Poor areas can use slogans on advertisements, posters and photos to establish unique agricultural brands, extend visibility and promote regional agricultural industrialisation.

- *Improve risk management in agricultural production.*

To improve the ability of farmers to manage climate and other risks, risk management organisations could be established in communities and villages to provide lectures on agricultural risk management, for example, how to plant crops scientifically and how to adjust planting structure to create income from other crops when climate change influences the output of

major crops. Crop diversification and careful livestock management should become a key focus, with village officials taking the lead, to develop climate smart agriculture and resist risks. Lessons can be learned from international best practices in agricultural water management in order to help poor farmers move from subsistence to income generation.

2.2 Culture and Poverty Alleviation

In China today, many areas that remain poor are rich in local culture and this has the potential to provide livelihoods for their populations, helping them escape from poverty while also preserving the cultural legacy of the local population, for China and for humanity. The challenge of tapping the economic potential of cultural heritage in poor areas while still preserving that heritage requires considerable care, and this has been the focus of the development work of the United Nations around the world for several decades. Cultural heritage is also inextricably linked to natural heritage; the work of UN agencies in this area has always kept this linkage in mind, and has focused on the preservation of both these precious heritages.

Another way in which the United Nations promotes cultural diversity and development is through providing support for creative industries, which are another valuable source of livelihoods in many developing countries. In this section, we present examples of both types of work; poverty alleviation through the preservation of cultural heritage, and the fostering of creative industries as a source of livelihoods in developing countries.

2.2.1 Cultural Preservation and Poverty Alleviation

If handled properly, cultural heritage can provide a broad range of benefits to its custodians. Apart from generating household income, development linked to the preservation of cultural heritage fosters greater social inclusiveness and rootedness, resilience, innovation, creativity and entrepreneurship for individuals and communities, and promotes the sustainable use of local resources, skills, and knowledge. The cultural resources of poor communities are frequently very closely connected to their natural environment. Therefore, strengthening the appreciation

and pride a community has in its cultural assets can generate additional benefits with respect to environmental sustainability as well. Using local and indigenous knowledge systems and environmental management practices can provide valuable insight and tools for tackling ecological challenges, preventing biodiversity loss, reducing land degradation, and mitigating the effects of climate change. (UNESCO, 2012)

Successful culture-based poverty alleviation strategies acknowledge and respond to the local context and unique qualities of an area and community through the careful use of cultural resources, as well as an emphasis on local knowledge, skills and materials. A focus on culture also means giving community members an active role in directing their own destinies, enabling the beneficiaries of the development effort to become agents for change, which is crucial for sustainable and long-term progress.

World Heritage sites around the world are places of outstanding universal value which countries have committed to protect and preserve. The most important expression of the world community's commitment to preserving its cultural heritage is the Convention Concerning the Protection of the World Cultural and Natural Heritage, which was adopted in 1972. The Convention established the basis for the designation of World Heritage sites, as well as the duties of States Parties in identifying potential sites and their role in protecting and preserving them. By signing the Convention, each country pledges to conserve not only the World Heritage sites situated on its territory, but also to protect its national heritage.

The States Parties are encouraged to integrate the protection of cultural and natural heritage into regional planning programmes, to install staff and services at their sites, to undertake scientific and technical conservation research and to adopt measures which give this heritage a purpose in the day-to-day life of the community.

Two of the ways in which UNESCO works with governments and local people to create livelihoods connected to local culture are through support for the development of local crafts industries and through the promotion of cultural tourism. Throughout this work the inherent conflict between the drive to increase

income as rapidly as possible and the need to properly maintain local traditions is carefully addressed.

A UNESCO world heritage project, supported by the Republic of Korea and entitled “Sustainable Development and Community Involvement”, is currently under implementation at two World Heritage sites in Bangladesh and Pakistan, and is an example of how the dual goals of creating livelihoods and preserving traditional culture can be combined.

Case Study 2.2.1: Building Livelihoods While Preserving Culture in Bangladesh – UNESCO’s Work at Paharpur (UNESCO Office in Dhaka, n.d.)

[Themes: Culture, Community-based approach]

The Ruins of the Buddhist Vihara at Paharpur in Bangladesh, was inscribed as a World Heritage in 1985. The site is surrounded by approximately thirty villages and is known for its several hundreds of terracotta plaques featuring fauna, flora and figurines.

The project background provided an excellent basis for involving the local community in the preservation and sustainable development of the site through a revival of the traditional terracotta plaque making skills, along with contemporary skills, thereby ensuring participation and income generation for the local community. The project was carried out from April 2016 to March 2017 to assist the Paharpur authorities in the preservation of cultural heritage by widening the level of community participation.

The specific objectives of the project were:

1. To revive traditional skills in the production of terracotta plaques, focusing on both quality as well as iconography and original form.
2. To ensure the conservation of the terracotta plaques, while providing community involvement through income generation opportunities.
3. To provide support to the local community in income generation through the production of terracotta plaque replicas, by capacity building and providing market access.

4. To disseminate information regarding the history of the site's terracotta plaques to the local community, artisans, academia and the public at large and to instil pride within the local community.
5. To raise awareness about the site's importance and conservation needs.

The project began with an on-site field visit to sensitise local partners and to familiarise project implementing partners with the project site.

Documentation was then written up regarding the iconography and production details of the terracotta plaques to establish baseline information from which skills training was developed to ensure the traditional production of the replica terracotta plaques.

At the same time, a socio-economic and anthropological survey was carried out to assess the situation of the local community and to help identify local artisans.

A series of training sessions was organised for the local artisans by professionals and academia in the production of the traditional terracotta plaques as well as in contemporary and innovative ways of producing replica terracotta plaques and terracotta products, inspired by the traditional plaques. The project included a revenue-making opportunity for artisans through the organisation of terracotta craft fairs in Dhaka and at Parharpur.

As the project was only recently completed, it is too soon to fully assess its impact. However, it serves as an excellent example of how cultural preservation can be integrated with livelihoods creation and poverty alleviation.

This case study is an excellent example of how governments and international agencies can take steps to safeguard the preservation of local heritage before engaging in its commercial use; the Parharpur terracotta products were not marketed until their accuracy as replicas was assured, and tourism was not expanded until systems had been put in place to avoid damage to the heritage site. Thus, sustainability in terms of income and cultural preservation was ensured.

UNESCO has a close partnership with the Africa World Heritage Fund, which

is organising an ongoing series of activities to support the protection of Africa's cultural and natural heritage.

Case Study 2.2.2: Partnership with the Africa World Heritage Fund (African World Heritage Fund, n.d.)

[Themes: Education/Training, Culture, Environment]

The African World Heritage Fund (AWHF) is an inter-governmental organisation launched in 2006 to support the effective conservation and protection of natural and cultural heritage of outstanding universal value in Africa. Together with the African Member States of UNESCO and the African Union, the main aim of the organisation is to develop a strategy to meet the challenges that many African countries face in implementing the 1972 World Heritage Convention. All African signatories to the 1972 Convention are members of the AWHF, which has a Board of Trustees comprising government representatives from all regions of the continent.

In 2015 UNESCO joined the AWHF in celebrating its many achievements in supporting the implementation of the World Heritage Convention in Africa and in safeguarding the diversity of the continent's rich heritage as a source of identity and sustainable development (UNESCO celebrates 10 years of achievements of the African World Heritage Fund, 2015). In close collaboration with UNESCO's World Heritage Centre, the AWHF has organised over 50 training workshops towards the implementation of the 2012-2017 Action Plan for World Heritage in the Africa Region, focusing on nomination training, preparing tentative lists, risk preparedness, entrepreneurship training, and traditional management systems. Other workshops have supported the Africa Nature Programme, the COMPACT Initiative (Engaging Local Communities in the Stewardship of World Heritage), Climate Change and Sustainable Tourism.

Throughout these joint efforts, the AWHF and UNESCO have trained 521 participants from 49 States Parties to the World Heritage Convention, including 153 female participants. Training for local participants and government officials emphasises preservation as the highest priority and a precondition for building new economic opportunities.

The proclamation of an African World Heritage Day has reaffirmed the commitments of both the African people and the international community to the safeguarding of the African World Heritage properties. By ratifying the World Heritage Convention, each country has pledged to conserve not only the World Heritage properties, but also to protect them against multiple threats such as natural disasters, armed conflicts, and illicit trafficking.

In 2016, AWHF and UNESCO collaborated on the organisation of the first regional Youth Forum for World Heritage in the Africa region, as well as an international conference on the Conservation of African World Heritage properties and Sustainable Development, as part of the 10th anniversary celebrations of the AWHF's establishment.

The Lalibela Rock-Hewn Churches in Ethiopia is a site visited by large numbers of people for religious and tourism purposes, and is located near a rapidly growing city. Together with the Government of Ethiopia, UNESCO has developed a plan to manage the development of this World Heritage site, which offers another good example of how to combine preservation with enhancing economic benefits for the community.

Case Study 2.2.3: A Management Plan for the Rock-hewn Churches of Lalibela World Heritage Site, Ethiopia (2015) (UNESCO, 2015)

[Themes: Education/Training, Culture]

The Rock-Hewn Churches of Lalibela was one of the first twelve World Heritage Sites in the world to be listed by UNESCO in 1978. Ever since the initial construction of the Rock-Hewn Churches in the 13th century, the number of residents in Lalibela has continued to increase in number, resulting in an urban centre that presents both opportunities and challenges and which also have an impact on the World Heritage property. A formal integrated management plan was drawn up to address several existing and emerging issues:

- a) Management and protection - aimed at clearly marking and effectively managing boundaries, specific law enforcement, setting up an appropriate institutional framework, developing strategies for adequate data and information collection and management, clearly defining responsibilities

to avoid duplication, dissemination and implementation of research results and monitoring and evaluating information on the continuous state of the site.

- b) Resource Conservation - addressing the degradation of the rock structures, preserving the surrounding landscape and safeguarding the tangible and intangible elements of the property, and working with stakeholders to combat environmental degradation both inside and outside the boundaries of the property.
- c) Tourism management - establishing a framework for sustainably managing tourism activities, diversifying tourism products, disseminating tourism information, enhancing visitor facilities and developing a Community-based tourism plan.
- d) Community engagement - developing community partnerships in tourism activities and in a wider tourism stakeholder network, along with a streamlined revenue sharing programme focused on community projects and development, benefit distribution, capacity building and implementing strategies and fundraising programmes. The management plan outlines the main steps needed to achieve these goals over a ten-year period, from 2014-2023. The plan will be monitored, evaluated and reviewed on a yearly basis to ensure that objectives are being met. At the end of the ten-year period a comprehensive evaluation will be carried out.

The Lalibela World Heritage Site management plan incorporates a broad range of key issues, prioritising preservation while emphasising the creation of additional economic benefits for the local community.

2.2.2 Culture-based Development for Ethnic Minorities in China

UNDP has been working with ethnic minority communities in China, focusing on preserving their culture and traditions while empowering women and addressing livelihood and poverty challenges. UNDP's support revolves around capacity building, creating marketing channels and using publicity to promote the protection and development of ethnic cultures in the project areas, constructing a culture-

based development model, increasing the income of ethnic minority people, and improving the capacity of local communities to develop themselves, and to realise sustainable development.

UNDP utilises the Community Driven Development (CDD) approach to help the communities participating in its pilot projects to establish and develop their handicraft associations, enabling them to improve their skills in business management and their market linkages, to raise public awareness of the ethnic minority's cultural heritage, to enhance local people's awareness of their ethnic identity and pride in their traditional cultures and hence to enrich their livelihood activities and facilitate communication, and strengthen the sense of national solidarity between different ethnic groups. In Yunnan alone, from 2012 to 2016, 7,200 people (90% women) from six villages, directly benefited from the UNDP pilot project. This successful initiative has had many positive effects, especially regarding policy and decision-making, handicrafts technique improvement, women's empowerment and in increasing the pride ethnic minority people have in their own cultures. As a result, in the project areas in Yunnan, Guizhou and Guangxi, people in the local communities increased their incomes and were able to climb out of poverty.

The programme succeeded in enabling some ethnic minority areas to gain access to the opportunities and benefits presented by China's overall development. It also helped to preserve their diverse cultures and living environment, and raised the awareness of the communities and the public of the value of ethnic cultures, thereby helping to strengthen national solidarity and social stability. In doing so, the programme promoted cultural diversity, gender equality and respect for the cultural, social and economic rights of ethnic minorities.

2.2.3 Cultural Tourism

The promotion of cultural tourism was an integral part of the UNESCO Ethiopia Lalibela plan, and the UNDP project mentioned above. Cultural tourism offers opportunities for enhanced local livelihoods and poverty alleviation. At the same time, if not managed carefully and with sensitivity towards local traditions and heritage and to maximising the economic benefits for the local community, it can have a destructive effect on heritage, and the economic benefits could be gained

mostly by outside businesses. Several successful examples of cultural tourism can be examined, as well as methods for managing the distribution of economic benefits.

Case Study 2.2.4: Malaysian Government Programme, Poverty Reduction through Rural Tourism in Indigenous People's Areas (Hadi et al, 2013)

[Themes: Culture]

In Selangor, Malaysia, the original inhabitants of the Malaysian Peninsula, the Orang Asli, have traditionally relied on forest resources for their livelihoods. Income from these activities is volatile and unreliable, and not sufficient to sustainably lift the people out of poverty, thus their ability to protect their rights and interests is limited. The levels of poverty are related to type of occupation, percentage of ownership of forest land and education level, and their economic activities rely heavily on natural resources. As of 31 December, 2010, 31.16% of the poor families in Malaysia were aborigines, of which 7,321 were considered severely poor and 4,102 poor. Although the share of Orang Asli in poverty fell from 83.4% in 2000 to 31.16% in 2011, this was predominantly due to social assistance from the Government.

In the Tenth Malaysia Plan (10MP), covering the years 2011-2015, the Malaysian Government proposed an assistance scheme for the Orang Asli, including home stays and ecological tourism services, etc., with the purpose of promoting the development of the local tourism industry and generating employment for the local residents by providing start-up training and funding and by strengthening the business network.

The local aborigines were very interested in participating in the pro-poor tourism project, realising the opportunities that tourism could provide with regard to employment and improved infrastructures, and in improving their health, incomes and overall self-esteem. The local government developed the tourism-related skills of the Orang Asli by conducting vocational education that focused on (i) building affordable tourist accommodation; (ii) showcasing Orang Asli culture in scenic spots; (iii) producing high-quality crafts to sell as travel souvenirs; (iv) identifying indigenous products that would appeal to tourists; and (v) developing

pro-poor tourism projects, to provide employment for the Orang Asli, thus expanding and diversifying their income sources. Through this vocational education the confidence of the Orang Asli was increased regarding the realised benefits of the tourism project and in their ability to rise out of poverty, which resulted in a reduction in the incidence and depth of poverty.

The pro-poor vocational education provided the Orang Asli with the knowledge and skills necessary for working in the tourism sector. This education was the key step to stimulating the participation of the Orang Asli in the project. Training was provided on the tourist environment, professionalism, tourist culture and travel planning, the management of tourism projects, and the general training of the Orang Asli to be tourism providers, tourism developers and small-scale handicraftsmen, while the training also provided information on how to promote the development and utilisation potential of the local tourism resources.

Malaysian Government policies also aided the development of the tourism industry, including the provision of guide books to local aborigines, encouraging the tourism authority to establish their own local guide books, and building Orang Asli capacity to engage in tourist activities. Scenic spots were protected and developed to encourage tourism. Most were combined into tourism experiences, incorporating natural adventure, cultural education, shopping, catering, etc. The success of the project depends on continuing the provision of support for local residents enabling them to remain engaged in the development of the tourism industry, through skills training and with policy and financial support from the Government.

2.2.4 Application of Pro-poor Value Chain Assessment to Cultural Tourism

Developing tourism in relatively poor rural areas that have rich cultural traditions offers both benefits and risks. The potential benefits are both cultural and economic. On the economic side the inflow of tourists can produce income and livelihoods for local people, and on the cultural side that income can aid them in preserving their traditional culture and in ensuring that it is preserved properly as steps are taken to build the local economy.

The risk that the traditional culture of the region may end up being damaged and lost by the influx of outside visitors and by efforts to quickly market local products outside the region, has been discussed earlier. As noted, mitigating the cultural risks begins with a clear analysis of the local cultural heritage, which should be captured through scholarship and through Government programmes, with the importance of the preservation of authentic local traditions emphasised throughout.

The economic risks should equally be kept in mind to ensure outside businesses, which are often staffed and managed by non-locals, do not capture most of the economic benefits, and to acknowledge that sustainable and decent livelihoods for local people may not be produced in sufficient volume.

One recently developed tool used to assess approaches to investment in tourism is the “pro-poor value chain assessment”. In general, for governments who wish to make poverty impact a criterion in evaluating private sector-based business proposals, assessing the likely pro-poor impact of such an operation, while also retaining attention to its financial viability for the business partner, is one of the most difficult challenges. The “pro-poor value chain assessment” can be applied to identify actions that have greater poverty impact along the entire productive chain and market within a commercial service sector (Mitchell & Ashley, 2009). A key feature of the approach is to shift the focus from initially pinpointing a particular target group for intervention, for example a certain ethnic group in a poor rural area, to instead mapping out where along the value chain the poor are currently engaged and how their participation can be further enhanced through planned interventions. One of the advantages of this approach is that it allows the programme design to structure ideas around key linkages and processes that involve multiple stakeholders, aiming to create synergistic effects along the value chain, pro-poor impact being included.

The “pro-poor value chain” approach to tourism was developed by the Overseas Development Institute (ODI), the World Bank Group (including IFC), and the Netherlands Development Organization (SNV) to assist pro-poor tourism development. The pro-poor effects of tourism are premised on a variety of direct (e.g., direct employment of the poor in tourism enterprises, establishment and

running of tourism enterprises by the poor) and indirect mechanisms (e.g., supply of goods and services to tourism enterprises by the poor or by enterprises employing the poor). The presumed linkages, however, do not automatically generate pro-poor impact.

Case Study 2.2.5: Lost Opportunity for Pro-poor Growth in Angkor Thom, Siem Reap, Cambodia (Mariotti & Shepherd, 2015)

[Themes: Culture, Private sector involvement]

In the Angkor Thom district of Cambodia's Siem Reap province, where the famous Angkor Wat temple complex is located, a mismatch of supply and demand for vegetables was found between local restaurants/tourists and local producers. Restaurants were reluctant to source produce locally due to the unstable supply, lack of variety and high cost. They therefore turned to wholesale markets for supplies, which were mainly imported from Thailand and Vietnam. This resulted in the loss of income-earning opportunities for local producers, which stifled opportunities for pro-poor growth.

To tackle challenges like this, the approach examines which key points along the value chain can be tapped and interventions made to augment income for the poor. The starting point of analysis is to investigate what percentage of the benefits from the tourism sector have reached the different groups of people, including the poor. "Pro-poor income (PPI)" is defined as "the wages and profits earned by poor households across all the inter-related strands of the value chain".

Case Study 2.2.6: Enhancing Private Sector and Community Engagement in Tourism Services in Ethiopia (Mitchell & Coles, 2009)

[Themes: Private Sector involvement, Culture]

Supported by the World Bank and guided by the Government of Ethiopia (GoE) and the United Nations World Tourism Organization (UNWTO), a "pro-poor value chain" analysis was conducted to strengthen linkages between tourism development and local communities to achieve greater pro-poor impact in Ethiopia. The analysis adopted a three-step approach, starting with a diagnosis to examine current trends in the tourist sector and existing PPI, followed by recommendations

for possible interventions to enhance the PPI, which led to the development of a final plan of action.

The value chain comprised the accommodation chain, the craft chain, and the food and beverages chain, all of which are important areas of pro-poor impact. This reflects the fact that almost all employment in hotels in Ethiopia is indigenous and non-management jobs are available to the poor, although hotel wages are generally low and the workforce is mostly unskilled. Unlike the case in Cambodia mentioned earlier, Ethiopia has the tendency to rely on domestic agricultural supplies from smallholder producers, without a disproportionate share of intermediaries between the producers and the hotels.

The analysis resulted in a recommendation to enhance the skill set of the hotel workforce, to increase wages and to improve the quality of hotel services, thereby removing the constraints to the possible expansion of the tourism sector. These changes would also affect the food and beverage chain, where an expanded tourism sector would increase the demand for food for tourists.

The pro-poor value chain approach is frequently useful in planning private sector based initiatives aimed at poverty reduction. In general, the trend of private businesses playing an increasing role in poverty alleviation seems certain to continue, and presents new challenges and opportunities for governments.

2.2.5 Support for the Creative Sector

The creative economy, which includes audio-visual products, design, new media, performing arts, publishing and visual arts, is not only one of the most rapidly growing sectors of the world economy, it is also a highly transformative one in terms of income generation, job creation and export earnings. It currently represents over USD 2.2 trillion in annual revenues, or 3% of global GDP, and generates close to 30 million decent jobs worldwide.

In Jordan, UNESCO is building the capacities and resilience of women in northern communities, where their economic participation is extremely low and where tens of thousands of Syrian refugees have settled, to create livelihoods using new-found skill-sets spanning from rock art to heritage tours. The initiative, which

initially fostered small-scale businesses that provided souvenirs for tourists, has blossomed into the provision of comprehensive hospitality and cultural education services.

The African region is very supportive of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions. To date, 34 Sub-Saharan countries have ratified this international legal instrument. UNESCO is making long-term strategic investments in support of African countries to increase human and institutional capacities and provide the tools and expertise needed to implement the Convention and develop effective policies for the national cultural and creative sectors. Training, both online and through workshops, is provided on key areas requiring specialised technical support, such as value chain analysis.

Case Study 2.2.7: The Creative Industry Support Project in Cambodia

[Themes: Culture]

With support from the Government of Spain's MDG fund, a joint UNESCO/UNDP/ILO/FAO project was launched in Cambodia in April 2008. The project was designed to support the development of Cambodia's creative industry, and to foster entrepreneurship and marketing, promoting both the economic and social potentials of culture simultaneously. Through the project, 500 craftsmen and handicraftsmen attended skills training workshops and obtained employment in the crafts industry and in commercial enterprises; 90% were members of ethnic minorities. The project also supported local government in establishing the national human treasures system in Cambodia, regulated through laws and decrees, in order to drive the development of the creative industry.

Much of UNESCO's work on creative industries has focused on strengthening the legal rights of artists and other producers of creative products. This work has achieved considerable results in several African countries, and is being expanded. Mauritius is one useful example of this work.

Case Study 2.2.8: Improving the living conditions of cultural professionals through the elaboration of a law on the Status of the Artist in Mauritius and other countries (UNESCO, n.d.)

[Themes: Culture]

Since the late 1970's, Mauritius has transitioned from a mono-crop, sugar-dominated economy to a diversified, service-oriented one, becoming a prosperous and democratic society in the process. Opportunities have emerged in the cultural sector, which is recognised as a powerful source of social and economic development.

Having ratified the UNESCO 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions, the Government acknowledged that career opportunities for artists and cultural professionals needed to be expanded if the country was to transform its creative and cultural industries sector. This required the creation of an enabling environment for artists and cultural professionals.

In this context, Mauritius sought technical support from UNESCO to elaborate a clear strategy for developing capacities across the cultural industries and for improving its cultural governance mechanisms, as well as to create an enabling environment contributing to enhancing the living conditions of the artists and cultural professionals.

With this background, the first project (2012-2013) supported the Government of Mauritius in developing a cultural industry strategy and action plan to nurture artistic creation and cultural entrepreneurship. With financial support from the European Union, consultations were held across the country with over 250 artists, cultural professionals, government staff, business institutions, educators, IT experts and NGOs, providing a platform for them to collectively provide specific suggestions on how their industries might be developed. This led to the development and adoption of the Creative Mauritius-Vision 2015 White Paper.

Building on this experience, Mauritius is currently designing a new law on the

status of artists. Defining their professional status, improving their economic and social working conditions and recognising their role in the sustainable development of the island are at the heart of this process, which was launched in 2016.

UNESCO supported a consultation process for gathering inputs from relevant stakeholders (responsible ministries, institutions and the artistic community), led by the Ministry of Arts and Culture. Considering the cross-cutting nature of such a law, that goes beyond the strict mandate of the Ministry of Arts and Culture, an inter-ministerial task force as well as thematic focus groups were established. Consultations were held to ascertain the main issues to be addressed by the law: categorisation of professional artists, registration mechanisms, introduction of a national body for professional artists and cultural professionals and policy measures outside cultural policies and to examine provisions and measures to be considered for inclusion in future laws. One of the threads of this work was to examine the existing policy and legal framework for workers and to consider how future laws could extend and/or adapt existing rights to artists and cultural professionals.

Similar work has been undertaken in other African countries. Over the last several years, a number of new laws, inspired by the 1980 UNESCO Recommendation on the Status of Artists, have been revised or adopted in countries such as Burkina Faso (2013), Morocco (2003, revised in 2016) and Togo (2016). UNESCO also supported the national consultations in Djibouti, held on 28-29 December, 2016 on measures to improve the status of the artist.

Vietnam is another country working with UNESCO to systematically devise and implement an ambitious long-term plan for the development of its creative industries.

In recent years, Vietnam's national market has shown an increase in the interest for creative and cultural products. The Ministry of Culture of Vietnam requested support from UNESCO under the UNESCO 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions, to harness the opportunities this interest presented. UNESCO's sustained efforts culminated in the December 2013 launch of the strategy "Creative Vietnam - A Framework for Growth, Competitiveness and Distinctiveness". A key focus of the strategy is to increase investment opportunities for cultural industries, support productive

activities, create decent jobs, and promote entrepreneurship, creativity and innovation.

With this background, UNESCO devised a financial mechanism, a framework and five recommendations to serve as a road map for the Vietnamese Government to achieve its goals. In 2013 and 2014, UNESCO offered Vietnam comprehensive technical support, and intensive coaching was provided to the lead government agency, the Vietnam Institute of Cultural and Arts Studies (VICAS). A national consultation workshop with key stakeholders was organised to identify the best ways of implementing elements of the strategy. Together, these efforts have unlocked the economic and social potential of the cultural industries in Vietnam.

Following on from the support provided by the EU and UNESCO in 2012, through which a diagnostic study of the current status of creative industries in Vietnam was conducted, VICAS was assigned by the Government to further develop the framework into a National Strategy for Creative Industries to 2020. Recognising a major opportunity to develop an inclusive range of connected activities underpinned by partnership, UNESCO began implementing a project (funded by the Republic of Korea) to support the Vietnamese Government to fully operationalise the National Strategy.

In February 2016, UNESCO and the German Goethe Institute organised an introductory session for the creative community in Vietnam on the UNESCO International Fund for Cultural Diversity (IFCD) and conducted a needs assessment for capacity building in the creative sector in Vietnam. UNESCO utilised the findings of the needs assessment to better formulate its support for fostering an enabling environment for creative practices in Vietnam.

In May 2016, UNESCO joined hands with the British Council to organise the first networking event for creative hub owners in Vietnam. The activity built on the previous efforts of the British Council in Vietnam which had brought together creative hub owners to formulate a network for mutual sharing. Discussions at the event highlighted the lack of information sharing and collaboration mechanisms between creative clusters in Vietnam, which, if enhanced, would help build the profile of the creative sector, currently considered to be in its incubation period.

Throughout 2016, a series of working sessions organised with creative practitioners revealed that the creative sector has yet to reach out to the wider public, which poses significant challenges for developing markets for the cultural industries and for nurturing the audience for creative practices in Vietnam. Many of these practitioners are also unaware of the role they play in enriching the cultural life of the society at large.

In June 2016, Vietnam completed and submitted its second periodic report on the implementation of the UNESCO 2005 Convention. The periodic report took stock of the changes in the policy framework of Vietnam towards fostering the creation, production, distribution and enjoyment of cultural goods and services. While the submission of the report complied with the country's obligation as a State Party to the Convention, the reporting exercise also allowed UNESCO, the Ministry of Culture, Sports and Tourism (MoCST) and related stakeholders, including other line Ministries and the private sector, to identify the critical areas for policy interventions to support the development of cultural industries in Vietnam.

The periodic reporting process revealed that the recent emergence of creative hubs in Vietnam has heralded a new era of dynamism and demonstrated great potential for further growth. Since June 2016, UNESCO has been working with MoCST to advocate for policy changes on how the development of creative clusters should be governed. After a series of discussions with the civil society, UNESCO identified several areas for new interventions, which notably brought creative practitioners together to raise both public awareness and the profile of the creative sector in Vietnam and to promote the role of creative practitioners in development.

2.2.6 Poverty Reduction and Culture: Conclusions

The rich cultural and natural heritage of many poor rural areas of the world, including China, is a treasure that must be carefully preserved while its potential to generate income and alleviate poverty for local people is explored. The global experience in finding the right balance between preservation and development offers some useful lessons:

- Analyse and capture in photographs, records, and research, the rich local

cultures, while developing plans for how to use them.

- Plans to develop the economic potential of local cultures should start with respect for the traditions of the local culture, not from the drive to generate income as rapidly as possible.
- Training is necessary for local people and for outsiders who become involved in cultural development work. Training covers both vocational and related business matters, such as business management, marketing, value chains, and so on, but also covers global knowledge on cultural preservation.
- The potential for crafts industries and tourism will be far greater in the long run if cultural and natural heritage is properly preserved.
- The development of pro-poor tourism should include a clear analysis of the likely benefits for the local poor population, to avoid investments which will predominantly benefit outsiders.
- The development of creative industries is another potentially rich source of livelihoods and pro-poor growth in developing countries. Strategies that start from the perspective of the artist and the creative businesses themselves are needed to build a foundation for sustainable creative industry development.

China can draw on and benefit from many of the ongoing global activities that link poverty alleviation with cultural preservation and creative industries. At the same time, many countries will benefit greatly from China's experience in these sectors.

2.3 ICT and Poverty Reduction

Sharing knowledge and information can change the economy and society, and the development of information and communications technology (ICT) can accelerate this process. With continual advances in technology, the Internet and smartphone have made huge contributions in undertakings such as industry, scientific research and national defence. Nevertheless, they are less common in

poor areas in many countries where information exchange is difficult, quality of service provision is low, and production and lifestyles are still traditional. Those who could increase their profits through connectivity are therefore unable to enjoy the economic and social welfare benefits brought about by information technology.

2.3.1 Application and popularisation of the mobile phone

UNESCO's work includes creating inclusive knowledge societies and empowering local communities by increasing access to and capacities for the preservation and sharing of information and knowledge. UNESCO makes data and analyses of global connectivity objectives available, helping advance the use of ICT in areas that have been "left behind" in order to alleviate poverty. Through awareness raising, policy formulation and capacity building, UNESCO promotes "openness" in content, technology and processes, enabling researchers and innovators to more easily share and use data.

Case Study 2.3.1: UNESCO's YouthMobile Initiative (UNESCO,n.d.)

[Themes: ICT, Women, Adolescents]

Recognising the significant potential of smartphone mobile applications to achieve the SDGs, in 2014 UNESCO began implementation of its YouthMobile Initiative. The positive impact of connectivity on a country's economy is well documented. Economics, local demand and technology are all coalescing at the same time. While mobile learning represents a significant opportunity for local communities heavily impacted by mobile communication technologies, there is an increasing awareness that technology should not only be perceived by the public merely as a consumer good. The Internet is in fact often seen as a vector for services to people and communities. It is for this reason that everyone, particularly youth, should acquire a comprehensive understanding of technology as a tool for expression, creativity and innovation. The Internet "tool" should be mastered to harness its potential and to deliver innovative and effective services; however, its inherent risks and dangers must also be understood.

By advocating the incorporation of ICT development training for students, teachers and individuals working in the private or government sectors, YouthMobile aims to leverage efforts geared to developing the capacities of these teachers and

trainers, while raising awareness about the potential of these skills for addressing the difficulties of everyday life.

The YouthMobile Initiative was rolled out in 26 countries worldwide, with a strong focus on Africa. All the YouthMobile projects were conceived from the outset with input from local partners and some of the beneficiaries, with a view to implementing projects that would make real sense to them, and thus has a greater chance of success and replicability.

Among these projects, the activities in Senegal have, since 2015, focused on enabling young girls to develop the skills and high-level confidence to develop, promote and sell mobile applications to solve local problems and create jobs. UNESCO organised open days in major companies and centres of innovation of mobile ICT and development, held “coding” training, despatched E-caravans throughout the country and brought together women engineers, platform developers, lawyers, sociologists from state structures, and companies. Through these activities UNESCO was able to educate young girls in the uses of ICT and encouraged them to pursue studies and careers in these areas. The different activities have had an impact on thousands of young Senegalese, particularly women, and were instrumental in moving local partners to develop effective responses to the skill needs of the country’s youth. The YouthMobile projects in Senegal were highlighted during the 2017 Commission on the Status of Women in New York.

Overall, the YouthMobile Initiative pays particular attention to young women, in accordance with UNESCO’s mandate and commitment to promote equality between women and men. According to the 2017 report of the Broadband Commission Working Group on the Digital Gender Divide, (BoardBand Comission for Sustainbale Development, 2017) research studies suggest that women often lack the digital skills or confidence needed to use the Internet, which prevents them from gaining access or limits their use of the available online services and applications. This is particularly important, as the Report indicated that women were on average 21% less likely to own a mobile phone, which constitutes a gender gap of 300 million women. Furthermore, the International Telecommunication Union (ITU) estimates that the digital gender gap increased from 11% in 2013 to

12% in 2016, a small, but significant trend of increasing gender inequality.

The YouthMobile Initiative can contribute to solving the gender imbalance that exists internationally in the IT field. By introducing young women to the necessary 21st century skillsets, YouthMobile intends to help them become powerful agents of change in achieving gender equality. Gender-relevant YouthMobile projects, including the cooperation with Germany's “#eSkills4Girls” (Federal Ministry for Economic Cooperation and Development, 2017) project and platform, have been highlighted at several major events, such as the AfricaCom 2016 and the Transform Africa Summit.

These actions could also help address the longstanding concern of the low rate of female participation in science, technology, engineering and mathematics (STEM) education and consequently STEM careers.

2.3.2 Application of Network Information

New technology has helped our daily lives and access to this information has brought convenience, even when it comes to rural agriculture. The mobile application platform, for example, can provide useful information on agriculture, such as agricultural news, calculation of fertiliser use, pest and disease control and related remedial measures. Farmers can instantly access information on grain market prices and various market transaction information, and can request online advice from experts; farmers can also receive information issued by the government and other organisations. In Nepal, the Urban and Rural Planning and Design Organization promotes the development of the value chain and market links through ICTs and establishes links between market traders and agricultural specialists and farmers so that farmers can access the Android-based mobile application platform, the IFA Krishi application. Through the platform this program supports about 200 users (individuals and farmers' groups, including youth, women and indigenous farmers) with information on agricultural production and agricultural trade (Asia Pacific Farmers Forum). One enterprising lady, Tika Bastola, used the tool to establish a farmers group. In 2014, her group invested NPR 2 million (USD 19,500) to establish the Rita Mausami Krishi farm in the village of Dhapakhel, where they produced, on average, 15 tons of tomatoes and 15,000 kilos of other vegetables. Tika Bastola noted that the weather forecast

and market price information obtained from IFA Krishi was extremely useful. In addition to using IFA Krishi to find the best prices, they could also obtain information on the use of organic fertilisers, vitamins and pesticides. Since using this application, the group's vegetable production has increased by nearly 20%. The user-friendliness of the application and the ability to quickly obtain expert advice and sector information, makes agricultural production easier and increases the enthusiasm of farmers to produce more, thus playing a role in poverty reduction.

2.3.3 Employment Generation through ICT

The development of ICT can also address the unemployment problem. Through building an open platform, it can bring together different resources and opportunities, promote the exchange of ideas and development of critical thinking, and stimulate innovative capabilities that promote the resolution of problems.

Case Study 2.3.2: ICT Incubator Facilities to Expand Employment Opportunities for Rwandan Youth (UNDP,2017)

[Themes: ICT, Adolescents]

YouthConnekt Hangout is an online platform that uses Google Hangout technology and links with other social media channels and texting to connect young people with role models, resources, skills, entrepreneurship and employment opportunities. Its aim is to promote employment and economic development by linking Rwandan youth to resources and opportunities. In 2012, the Rwanda Youth and Information Technology Department and UNDP officially launched its new ICT incubator facility, YouthConnekt Hangout, in Kigali, and the newly formed Connekt website was released. At the launch, young innovators were rewarded through the UNDP/Motorola YouthConnekt Mobile Apps4 Human Development Challenge, which encourages young people to participate in innovation and application development, creates employment, and increases youth empowerment through mobile technologies. In addition, more than 100 young entrepreneurs gained business development training through the YouthConnekt Bootcamp and the “Geeks” contest. Further to this training, 35 young people received financial support and commercial guidance to establish and expand their

own businesses.

The launch of YouthConnekt Hangout coincided with the inception of the Rwandan National Employment Plan and the launch of the UN flagship project on youth employment and women's employment. According to the project's surveys, the platform created 1,636 jobs (688 females, 948 males) and 63 small and medium-sized micro-enterprises (SMEs).

Based on this success, UNDP and the government of Rwanda decided to scaleup the YouthConnekt Initiative to the regional level. UNDP is already supporting the roll-out of the initiative in five African countries—Congo Brazzaville, Democratic Republic of the Congo (DRC), Liberia, Sierra Leone, and Uganda. (UNDP, 2017) By connecting government, private sector and youth, the YouthConnekt Hub will work to identify start-ups that are solving challenges on the continent and provide access to appropriate infrastructure and support. The YouthConnekt Africa Empowerment Fund will offer regional support to youth empowerment initiatives including grants, financing and training, among other activities.

The initiative committed to (i) host 200 African young entrepreneurs to work at Alibaba headquarters to gain experience in fields including e-commerce, Artificial Intelligence and the Internet; (ii) work with universities in Africa and governments to develop specific courses on the Internet, Artificial Intelligence, and e-commerce; (iii) promote and support environmental conservation efforts in Africa; and (iv) provide USD 10 million to support youth entrepreneurship.

2.3.4 Application of ICT in Agriculture: E-agriculture

In virtually all business sectors, countries and regions where ICT has been adopted and integrated, it has played a key role in growth and socio-economic development. ICT has improved service delivery, created new jobs (while making some older ones less relevant), generated new revenue streams and saved money for individuals and firms. The benefits can also be seen in agriculture, where the rapid growth of mobile phone ownership, especially smartphones, and the increased access to broadband technology provide new avenues for sharing and accessing information.

Agriculture has become increasingly knowledge intensive. Most farmers now face a rapidly changing economic and technological environment, which presents them with many difficult challenges. They need access to the right information in a timely manner, to make decisions that affect their livelihoods. They require information on input and output markets and on how to extend their value chains and manage their risk. Many ICT interventions have been developed and tested around the world, with varied degrees of success, to help agriculturists improve their livelihoods through risk reduction, and increased agricultural productivity and incomes.

Case Study 2.3.3: Getting Price Information to Remotely Located Farmers Using ICT (Miller, Saroja, & Linder, 2013)

[Themes: ICT, Agriculture]

The FAO in Indonesia has been implementing a Fish Marketing Information System project in Bandeh Aceh using FrontlineSMS technology. (Miller, Saroja, & Linder, 2013) The objective is to support the development of conducive and fair trade practices for economically competitive fish products from Aceh in the local, national, regional and international markets. Fish product information is sent to all players in the value chain, including fishers, farmers, traders, processors and government agencies, through several types of complementary media: SMS, radio, websites and newspapers. Data are sent to the system via SMS from local collectors using handsets and FAO's Enumerator software. The goal is to replicate this system in all the districts of Indonesia, which should be relatively straightforward due to the low cost and simplicity of the software.

In 2009, a team from the University of Canberra, Australia, helped put in place the Northwest Agricultural Marketing Association (NAMA) information service in Pailin, Cambodia. The service provides price information (maize, soybeans and cassava), buyer contacts, weather information and farmer communications (e.g., meeting reminders) through FrontlineSMS software. The NAMA service also rates good suppliers and buyers and provides information on seed and fertiliser costs. The team is now addressing the community's needs in a more holistic way through such services as providing basic health information to rural areas (e.g., health alerts and communications, and health-related information) and information to field extension agents (e.g., weather alerts and meeting alerts)

through SMS messages.

2.4 Inclusive Finance and Poverty Alleviation

Inclusive finance is one of the core components of the global effort to reduce poverty. It is currently estimated that over half of the world's working age adults do not have accounts in formal financial institutions. Those two billion people, and their families, are greatly limited in their ability to improve their livelihoods and move out of poverty. In emerging market economies, over 200 million micro-, small- and medium-sized enterprises lack access to financial services.

The Consultative Group to Assist the Poor (CGAP) is a global partnership of more than 30 leading institutions, housed at the World Bank, and includes UNDP and IFAD, as well as other government organisations, private businesses and NGOs, that seek to advance financial inclusion. They have identified the following activities which access to formal financial services can help the poor undertake:

- Making day-to-day transactions, including sending and receiving money locally, across the country and internationally.
- Safeguarding savings, which can help households manage cash flow spikes, smooth consumption and build working capital.
- Financing small businesses or micro-enterprises, helping owners invest in assets and grow their businesses.
- Planning and paying for recurring expenses, such as school fees.
- Mitigating shocks and managing expenses related to unexpected events such as medical emergencies or death in the family, the loss of employment and natural disasters.

These services can help poor households escape the poverty trap, which occurs when their limited finances impose tight constraints on their ability to access the assets, skills and other resources they need to escape from poverty. The focus of financial inclusion is not merely on making financial services available, but on ensuring that the kind of financial services that are useful for poor people are made

available to them. This includes offering credit facilities with longer maturity and lower interest rates which poor households would normally not be able to obtain, as they lack collateral, stable incomes and credit histories. These include savings and payment and remittance products that also meet the needs of poor households. Inclusive finance is much more than simply extending loans to poor people. In fact, making it too easy for poor households to incur debt can at times lead to problems for them when they accumulate more debt than they are able to repay. A recent CGAP analysis of microcredit programs in South India offers some guidelines in this regard. (Prathap, 2016) Inclusive finance must include an array of services that are appropriate and helpful for poor people looking for opportunities to rise out of poverty.

China has an ambitious financial inclusion initiative underway. In January 2016, the State Council issued a five-year inclusive finance plan for the 13th Five Year Plan Period of 2016-2020, which “calls for satisfying increasing demands of the public for financial services, especially enabling small and micro-businesses, farmers, urban low income groups, impoverished groups, the disabled, the aged and other special population groups, to obtain financial services at reasonable prices in a convenient and safe way.” (Hsu, 2017)

In order to avoid the problems that have occurred with other lending programmes for poor people, a considerable amount of international experience can be utilised in the implementation of this financial plan.

2.4.1 Reducing Poverty by Making it Easier for Poor People to Save and Reducing Their Costs

Rural areas habitually face problems with financing and saving, and traditional financial services typically fail to reach poorer rural areas. With the diversified application of digital technologies in the financial field, digital inclusive financial services have gradually become the new domain in rural finance and in the provision of financial assistance for poverty reduction. Almost two-thirds of the world’s 7.5 billion people own cell phones, which have become a prerequisite for taking advantage of digital financial services such as mobile payment platforms and mobile banking. Those digital financial services can help rural households better understand and manage daily living expenses, including saving for children’s education and remittances among their

dependants. They allow households to avoid the costs and time incurred in traveling to and from financial institutions. To meet the needs of farmers in digital financial services, several international agencies and organisations have joined forces with governments and financial institutions in various countries to launch a series of projects related to digital financial services.

Case Study 2.4.1: Zimbabwe's "Eco Cash" Service Helps Farmers Make Savings Plans (Mattern & Tarazi, 2015)

[Themes: Finance, Agriculture, Education/Training, Children]

Most traditional financial services focus on financing agricultural activities for smallholders but neglect the smallholders' needs for financial services in non-agricultural activities, such as education costs. In Zimbabwe's poor areas, school expenses are a heavy financial burden on most families, causing many to sell assets or resort to other difficult steps. To facilitate farmers' savings for their children's education, CGAP launched a special digital financial service with Zimbabwe's largest mobile cash service provider, Econet Wireless. The service uses Econet Wireless's Eco Cash to connect small farmers to a savings account called "Small Farmers". Smallholders can set a minimum monthly deposit of USD 2-5 (Mattern & Tarazi, 2015) and can make additional cash deposits when and if they choose to. When fees need to be paid, Eco Farmer automatically transfers smallholder savings to the school of choice and the smallholder pays Eco Cash the transfer fee associated with the transaction amount. Schools also benefit, because the service addresses the problem of students who fail to pay their tuition on time and pay in kind with goods or labour.

Econet Wireless's digital educational savings service has four important characteristics: (i) while setting the minimum monthly saving standard, farmers can choose to save more and save the money for free; (ii) flexible payment conditions, whereby households that miss the monthly payment of living expenses to schools do not pay an Eco Cash penalty; (iii) the household's savings account is locked automatically at the beginning of the semester and tuition fees are automatically paid to the school; (iv) a well-performing household can apply for a small loan from Econet Wireless to increase its cash flow if the balance of savings is insufficient.

Case Study 2.4.2: Cambodia Amret Introduced Savings and Services to Help Farmers Make Saving Plans (Grossman & Tarazi, 2014)

[Themes: Finance, Adolescents]

Amret Bank is a small microfinance institution in Cambodia that has a large rural customer base and has provided remittance products and services to young migrant workers and their families for many years. To help children and their parents implement family savings plans that help them prepare for marriage, education, purchasing agricultural supplies, consumer goods, etc., CGAP partnered with Amret Bank to design a family-connected savings product with the following features: both parents and children open a bank account at Amret Bank and link the two accounts by opening a home connection service. Customers can then transfer money between associated accounts by visiting Amret branches or through mobile handsets without paying transaction costs. In addition, households can connect their accounts to an allocated savings account to achieve their family's savings goals. Through the use of the Amret Bank services, the client poverty rate has seen a decline, from 16% to 8.9% to 6.5% between 2013 and 2016, as clients follow set savings plans which help them manage spending in various periods.

Amret Bank's innovative remittances and digital savings services have four key characteristics: (i) clients only need to pay a small annual fee to benefit from free transfers when making cash transfers between related accounts; (ii) the establishment of a savings account for remittances is traditionally based on the transaction and consumption process; (iii) mobile phones can be used for transfer transactions; (iv) the savings period must be more than 12 months, against which customers receive a 2.5% annualised return.

Case Study 2.4.3: Sri Lanka Hatton National Bank's "Easy Remittance" Product to Facilitate Farmers' Family Remittances (IFAD, 2013)

[Themes: Finance, Women]

IFAD administers the global Financing Facility for Remittances (FFR) initiative, in which it works together with CGAP, the UN Capital Development Fund and a number of other bilateral and multilateral aid organisations. (IFAD,

2013) In rural Sri Lanka IFAD has promoted remittance operations and provided savings and employment opportunities for many rural women for a number of years. Sri Lanka's banks provide transfer remittances and linked account savings services to migrants and their families while providing credit services to start-up farmers. In Sri Lanka, nearly two million rural people, from 38,000 villages across the country, leave home every year to search for work elsewhere. Every year, a total of more than USD five billion in earnings are sent home, equal to roughly 6% of national GDP. Hatton National Bank (HNB) is Sri Lanka's second largest bank and is one of IFAD's partners in the FFR, and HNB's remittance channels account handles about 20% of total official international remittances. In addition HNB opened offices in several Gulf countries and India (as over 60% of remittances originate from India). To facilitate the transfer of these funds, HNB offers the "HNB Easy Remittance" service, which was first piloted in four sub-branches and provides remittance services for Sri Lankan migrant workers and their families (especially women); remittances from migrant workers are transferred directly through HNB to the designated savings account at home. HNB has now extended this service to more than 200 branches across the country, following an increased demand from migrant workers and their families. In addition, HNB offers loans to migrant workers' families to promote entrepreneurship and help them finance construction investment. As of 2015, more than 1,000 Sri Lankan farmers have relied on the remittance service provided by HNB to secure credit facilities.

Case Study 2.4.4: Digital Financial Poverty Alleviation in Colombia: The Smart Coffee ID Card (Better Than Cash Alliance, 2018) (Bankable Frontier Associates, 2015)

[Themes: Finance, Agriculture]

The United Nations Capital Development Fund (UNCDF) serves as secretariat for the Better than Cash Alliance, a partnership of governments, international organisations and private businesses which promotes poverty reduction through inclusive finance across the globe. (Better Than Cash Alliance, 2018) The Colombia Smart Coffee ID card is an example of the impact that their work has achieved, creating digital platforms to help farmers receive income and Government subsidies efficiently and reliably.

Coffee is one of Colombia's most important economic products, accounting for 3% of the country's total exports and 2% of GDP. About 75% of the country's coffee is grown by more than 500,000 small farmers with a per-capita planted area of less than five hectares. The Colombia Coffee Growers Federation was established in 1927, and currently has more than 500,000 members of varying size and location. Its key function, which it fulfils through a series of institutions, is providing services to farmers; channelling government subsidies to farmers; and also managing a price guarantee scheme by which farmers can sell their coffee at a set minimum price. The number and small size of its membership impose a sizeable burden on the Federation if it is to succeed in processing payments to farmers throughout the country, including the remote coastal areas. In 2005, rising insecurity in some rural areas increased the riskiness of cash procurement from coffee growers. In addition, the financial crisis of the late 1990s had led to the shrinking of Colombia's traditional banking infrastructure, the closure of many rural branches, and the establishment of "coffee shops" that began to use cheques rather than cash to pay farmers' wages. To help farmers secure their coffee plantation income, the Coffee Growers Federation, together with a local bank (later merged into the Banco de Bogotá banking group), developed a coffee smart card to facilitate the payment of farmers' wages and Government subsidies. Coffee smart cards can be used in rural stores, at ATMs or at point-of-sale devices for conducting the sale of coffee to rural merchants. Farmers can therefore use their "smart card" to either obtain cash or make purchases. Building on its widespread use, the card has now expanded into an efficient, transparent channel for the distribution of government incentives and credits. (Bankable Frontier Associates, 2015)

Since its inception, the electronic payments program has made eight million transactions, totaling nearly US\$1 billion. In addition, the card provides the Coffee Growers Federation with the ability to provide emergency support quickly to growers in the most remote areas of the country.

In order to increase food production and promote food security and rural development, many countries provide fertilisers and seeds to small farmers. A project implemented by the Federal Government of Nigeria, under the auspices of the World Bank, Streamlined the distribution process through digital financial services and reduced the cost of Government-managed subsidies.

Case Study 2.4.5: Nigeria's "Growth Enhancement Support Programme" (Jeremiah & Michael, 2014)

[Themes: Agriculture, Finance]

In 2012, Nigeria's Federal Ministry of Agriculture and Rural Development (FMARD) introduced the Growth Enhancement Support (GES) programme to change the inefficient method by which Government fertiliser subsidies were previously implemented. Under the GES programme, the Government's role shifted from direct procurement and distribution of fertilisers to promoting the use of the private fertiliser value chain for both procurement and fertiliser quality management. Through the GES, state and local governments register qualified smallholders in a database and issue farmers GES ID numbers. Farmers use cell phones to receive regular information confirming their registration and informing them when and where they can get their subsidy, whereupon they can visit the local agricultural distribution redemption centre to purchase fertiliser. Those without cell phones rely on other farmers to advise them when the subsidies are available.

The first GES pilot project ran from November 2011 to March 2012 and was extended throughout Nigeria. In 2012, 1.2 million farmers received subsidies to purchase fertilisers through this programme. By the end of 2013, eight million farmers were subsidised and 4.3 million of them bought fertiliser. Compared with the subsidy programmes implemented by the previous government, the "GES" programme is remarkably more efficient and transparent. In 2011, the Government spent NGN 30 billion (USD 180 million) on fertiliser subsidies for farmers. However, 90% of the funds were used for management and other related costs, and did not reach the farmers. Actual benefits were enjoyed by only 800,000 farmers, at a cost of USD 230 apiece. In contrast, by 2012, the new mobile subsidy program allowed the government to reduce costs to NGN 5 billion (USD 30 million) while benefiting 1.2 million farmers. In addition to this great increase in efficiency, a new database of over 10.5 million farmers has now been created, a first step toward bringing previously unbanked farmers into the financial mainstream. (Akinboro, 2014)

Case Study 2.4.6: Tanzania Launches WRS Project to Help Farmers Store Crops (IFAD, 2016b)

[Themes: Finance, Agriculture]

With the support of the Government of Tanzania and funded by IFAD, in 2005, the Agricultural Marketing Systems (AMSDP) and Rural Financial Services Programme (RFSP) jointly developed the Warehouse Receipt System (WRS). The WRS is a rural financial product designed to solve the problem of limited storage facilities in rural areas and to provide credit support for rural households. Previously, farmers in Tanzania had to sell their crops immediately after harvest because there was no place to store them. Prices obtained for agricultural products sold in a short period of time were below the market average and, in the harvest season, the abundance of product resulted in the prices of crops falling sharply. These two factors lowered income for farmers. The WRS programme helps farmers store their crops thus extending their product sales period and also provides them with credit services. This enables farmers to improve the quality and profitability of their agricultural products and improve their quality of life.

The WRS is currently being used in many parts of Tanzania.

2.4.2 Innovative Credit Products Services for Poor Households

Financial institutions are often unwilling to provide loans to small farmers for many reasons. Agriculture can be an activity with a long period of production and management, a large initial investment and a relatively low rate of return. It often faces high risks due to the frequency of natural disasters and accidents. Small farmers frequently lack collateral and are not well informed or trained about ways to utilise credit services. Therefore, small farmers or enterprises requiring urgent funding for production expansion are unable to obtain loans. This contradiction between supply and demand has restricted the development of enterprises in rural areas, reduced the possibility of farmers increasing their income, and impeded the basic role of finance in regulating and controlling resource allocation. In recent years new and innovative solutions to rural small households' credit needs have been introduced, some by private banks, and many through the work of UN agencies and other donor organisations.

Case Study 2.4.7: Digital inclusive finance in China (UNDP, n.d.)

[Themes: Finance, Cross-departmental coordination, Community-based approach, Adolescents]

In May 2014, UNDP joined with the China International Center for Economic and Technological Exchanges, the Research Institute of the People's Bank of China, the Institute of Finance of the People's Bank of China, the local governments in Sichuan, Fujian and Guizhou Provinces, and the People's Bank of China to organise a project under the Weifu Center called "Building an Inclusive Financial System in China". Yilong County in Sichuan Province, Ningde Prefecture in Fujian Province and Danzhai County in Guizhou Province were selected as pilot areas to explore innovative modes of rural cooperative finance and to promote the financing support of rural cooperative economic organisations by financial institutions.

The programme began in 2013, with the establishment of the People's Wealth Rural Sustainable Development Service Center, which was set up to help develop, incubate and regulate farmer cooperatives. Financial institutions provide services to farmer cooperatives and their members, and eventually establish an integrated rural economic and financial development model. The programme uses the platform of the People's Wealth Center to integrate Government policy resources, social and banking resources and establishes a service platform integrating production, sales, credit and services; this platform has become an effective modality for implementing inclusive finance and narrowing urban-rural gaps. The programme provides small loans to farmers needing capital, especially middle, low-income and poor families, enabling them to engage in production and business. By the end of 2017, the programme had lent RMB 195 million (approximately USD30 million) to 19,000 farming households, benefiting 50,000 people. Through the incubation cooperation society, local poverty reduction societies provide convenient door-to-door service that can serve the left-behind groups scattered in areas with limited transportation, thereby lessening the shortage of financial services in remote areas. Local people call the societies "farmers' own banks". Local cooperatives include over 60% of registered poor families as members, and help them with production and life by managing idle funds and providing loans and emergency assistance. With

a market-based operation, members of the societies can achieve a profit rate higher than the interest rate; the annualised profit rate was about 5% during the last three years. The operation of cooperative funds has helped improve transportation, infrastructure and the living environment in poor villages and enabled marginalised groups to make use of financial services with dignity.

Case Study 2.4.8: Commuter Motorcycle Loans in Uganda Increase Young People's Income (IFAD,2016b)

[Themes: Finance, Children, Adolescents]

The IFAD-funded Rural Financial Services Programme (RFSP) in Uganda successfully attracts young people to join Savings and Credit Cooperative Organizations (SACCOs) with its special borrowing products. Young Ugandans can earn USD 625 each year by selling crops, such as coffee and corn, but this yearly income is below the World Bank standard (USD 1.9/day and USD 693.5/year). However, earning income with a commuter motorcycle is a decent job and young people can normally earn USD 6.5 per day in this way. SACCOs therefore provide special “Commuter Motorcycle” loans for young Ugandans who do not own land. The loans are, in effect, lease agreements for the motorcycles. Young people make a one-time USD 4.3 payment for the “loan” to SACCOs and can then use one of the SACCO commuter motorcycles. As of 2015, RFSP had created 735 SACCOs in Uganda, serving 9.6 million farmers, 49% of whom were women. Altogether UGX 55.6 billion (USD 22.7 million) have been deposited in the SACCOs, while UGX 96.1 billion (USD 39.2 million) have been loaned for commuter motorcycles.

37.6 million of Bangladesh's population of 160 million are poor, of whom 20.64 million live in extreme poverty. The Grameen Bank, the world-renowned “Bank for the Poor”, provides tailor-made credit products for the poor and succeeds in “universalising” financial services for local poor people, making it the largest, most effective and most successful micro-credit financial institution in the world. By the end of 2016, Grameen Bank had 8.9 million borrowers covering 93.16% of villages in Bangladesh.

Case Study 2.4.9: “Beggar Loans” in Bangladesh (Yunus, 2005)

[Themes: Finance]

The Grameen Bank pioneered the “flexible loan” model to help poor, mainly self-employed entrepreneurs overcome temporary difficulties and enhance their confidence and independence. A “flexible loan” means that if a customer cannot repay the loan within six months, the bank will sign a new contract with him to reschedule the repayment plan. Farmers can formulate repayment plans according to their actual conditions, such as requesting a loan in a smaller amount and with a longer repayment period (the first renewed contract cannot exceed three years). If things run smoothly under the new contract, they can request “basic loans”, which accelerate their pace of repayment. If they encounter new difficulties, such as failure in production and operation, diseases or property theft, making it difficult to honour the “flexible loan” contract previously signed, the bank will sign a new “flexible loan” contract with them. With the help of the bank, many farmers have overcome difficulties, repaid their loans, and more importantly, built confidence in their capabilities.

The Grameen Bank has also designed financial credit products for the extremely poor, aiming to help them out of poverty. The bank created “beggar loan” products, where the average amount of loan is roughly USD 10, the loan has no interest, and borrowers can choose the time, number and amount of each repayment instalment. Grameen Bank regards these borrowers as “struggling members”, who can choose not to join in the groups that are a key unit in Grameen’s normal lending model (Yunus, 2005), and make deposits. They also enjoy the privilege of borrowing again 13 weeks later, whereas ordinary members can only borrow again 26 weeks later. With the support of the Grameen Bank, some struggling members became merchants selling small commodities along the street, and some joined groups and became ordinary borrowers. By the end of 2016, approximately 77,582 struggling members had loan balances, with loans totalling USD 2.62 million.

Case Study 2.4.10: Revolving Credit Mechanism in Cambodia Helps Farmers Start Their Own Businesses (ILO, 2002)

[Themes: Finance, Women]

In 1997, the International Labour Organization (ILO) launched the Trafficking in Children and Women Project (TICW Project) in the Mekong Sub-region to help women and children at risk gain access to economic activities. The ILO assisted the Cambodian Government and five major NGOs^① in devising a mobility mechanism for revolving credit. Specifically, community skills training is provided for people at risk, following which the trainees become eligible for free loans to enable them to start their own businesses. They are joined together in self-help groups and are encouraged to save money and use the resulting capital pool as a revolving fund so that group members can take turns borrowing and can develop small businesses.

In Prey Veng, Cambodia, 175 vulnerable families with children and women received training in animal husbandry, small business management and vegetable cultivation through mobile training courses. Subsequently, they obtained interest-free loans and started businesses in their communities. In addition, 14 self-help groups were established to regularly share experiences and lessons in self-employment, and 70 girls from Prey Veng attended vocational skills training courses. Having completed the training, they obtained interest-free loans and started their own businesses in various industries, such as sewing/tailoring, hairdressing, weaving, livestock husbandry and other small businesses.

2.4.3 Inclusive Finance: Recommendations

Enhance basic financial literacy among poor households

Financial literacy training is essential if poor households are to utilise financial services to improve their living standards, and allow inclusive finance to serve its

^① HCC(Healthcare Center for Children); Cambodian Women's Crisis Center(CWCC); Cambodian Association for Assistance to Families and Widows(CAAFW); Volunteer Career Development Community(VDCC); Cambodian Center for the Protection of Children's Rights(CCPCR).

potential role as an engine of rural development. In 2014, the China Foundation for Poverty Alleviation Microfinance Study on Financial Education Needs in Poor Areas in China, released a report which found that ordinary farming households lack basic financial knowledge. Nearly half of the interviewees had received counterfeit money but did not know how to identify it. Three quarters of the interviewees had never heard of credit checks. Levels of schooling and interest in new technology and products remain low among poor farmers. However, there is the potential to achieve breakthroughs by focusing training programmes on young people, such as their children, who are generally much more interested and able to learn and accept new things quickly. Financial literacy programmes that focus on the children of poor households can help the whole family rise out of poverty, and can play a vital role in preparing young people for entrance into society as adults. Local governments can cooperate with local sub-branches of the People's Bank of China and with educational authorities to develop a cadre of professionals with the necessary expertise to take the lead in financial topics such as how to avoid fraud and illegal fund-raising and usury, how to manage wealth and how to obtain and responsibly utilise special farm product loans.

Better understand and work with financial institutions so that they will engage actively in inclusive finance and poverty reduction

For a long time, poor households have regarded rural loan programmes, even when they are managed by banks, as government social assistance for poor people that does not require repayment. In part for this reason, the non-performing loan (NPL) ratio in poverty reduction credit programmes has tended to be much higher than normal. This creates a strong disincentive for financial institutions to participate in these programmes.

In addition, firms are also reluctant to participate in these programmes because the Government often requires them to provide low interest rates for poor households and expand the coverage of credit-based poverty reduction, without factoring in the weak credit environment in many poor areas. The administrative requirements issued by the Government may overlook the financial institutions' own economic interests.

There is abundant global experience regarding how to match the need for

profitability for financial institutions with the needs of poor rural customers for financial services. The cases listed in this section, and others organised through CGAP and other international organisations, have successfully demonstrated how this can be done. In China today, there are proposals for the Government to encourage all financial institutions, including commercial banks, joint-stock banks, policy banks, security companies, fund management companies, private equity management institutions, and others, to establish specific poverty reduction units or subsidiaries, and for the government to provide these subsidiaries with subsidies, favourable income tax policies and soft loan policies. Governments can create special regulations to oversee these operations, since for many of them targeted poverty reduction work will be a new line of work. For example, the poverty reduction activities of security companies should be rated; those with good performance can enjoy extra dividends and rating upgrades, while private equity management institutions actively participating in poverty reduction can have their product registration incorporated into the green channel (CSRC, 2016). Futures companies can enjoy reduced service charges for their “insurance + futures” pilot programmes. Insurance institutions providing special farm product insurance services in poor areas can receive certain premium subsidies.

Regulators can also improve the risk compensation mechanism for inclusive finance. The Government should consider establishing special compensation funds for rural poverty reduction to share a certain proportion of the losses incurred by financial institutions from bad loans, increase the tolerance for bad loans in poor areas and thus reduce the worries of financial institutions regarding participation in poverty reduction. Given that the overall economic and social benefits of these programmes are far greater than the profit bottom line of the financial institutions, it would be appropriate for the Government to invest some of its own funds to support them.

Develop financial infrastructure in poor areas

One obstacle to financial poverty reduction in poor rural areas is weak financial infrastructure. Research by the Payment and Settlement Division of the People’s Bank of China Shijiazhuang sub-branch found that by the end of March 2016, there were 28,900 cash withdrawal service branches in administrative villages in poor areas, just over half the number of those in non-poor areas. Furthermore, the

development of credit information databases lags behind in poor areas. Due to geographic conditions and a lack of long-term infrastructure investment, some poor mountainous areas do not have access to highways and household electricity, which hinders the informatisation and networking of financial systems in these areas. Lack of credit information systems also discourages firms from providing services.

The Government should consider accelerating the development of inclusive financial networks, establishing more branches, ATMs, CRSs and self-service terminals in poor villages/towns and farming communities and establish micro-payment branches in peri-urban areas, administrative villages and natural villages. The Government should promote digital financial services, and gradually promote non-cash payment tools such as mobile banking and online banking. With rapid advances in China's digital financial infrastructure in recent years, it should be possible to form a virtual financial service network covering poor villages to meet the financial needs of remote and scattered farming households, providing them with convenient financial services.

Ensure that inclusive finance products cover a full range of services, beyond credit programmes

The Government can learn useful lessons from the cases of Econet Wireless, Amret Bank and HNB and encourage financial institutions to open connected accounts for poor households. The accounts could be used for: (i) education deposits for children; when tuition and miscellaneous fees are due, the money can be transferred automatically with no service fees; (ii) remittances between migrant workers and their families, with no service fees; and/or (iii) daily cash management. Money deposited by farmers should be managed, and finance professionals should be available to advise farmers on wealth-management. The investment product should feature no losses, low risks and stable returns, such as money funds and national bonds. In addition, the authorities could encourage large mobile payment service providers such as Alipay and Tenpay to participate in poverty reduction, and designate professional staff to teach farmers to open Alipay accounts and use Yu'e Bao to manage their wealth.

Similarly, the experiences from the coffee smart card programme in Colombia

and the GES plan in Nigeria could be adopted. Local governments can cooperate with local banks to design smart cards for distribution to farming households, and teach the households how to use them. The card can be used as a channel for rural cooperatives to pay farmers' income for specific agricultural products and as a channel for local governments to provide subsidies. The card could also be used for debit card style purchases and at ATMs. In this way, the subsidies provided by the Government can directly reach farming households, avoiding misdirection or misuse as they pass through several government levels; farmers' rights to create income from specific farm products will be protected; and the risk of distributing cash will be reduced.

Support the development of innovative credit products to meet the diverse financing needs of farming households and enterprises

Many of the case studies presented here, such as the warehouse receipt system of Tanzania and Uganda's motorcycle "loan" are experiences to consider. For example, rural cooperatives can purchase motorcycles, buses, trucks or other transport machines and lease them to farmers who have transportation business needs. The farmers do not need to pay the leasing fee, but they pay monthly interest to the cooperatives, and after a certain period, the farmers obtain ownership of the transport equipment. The ILO revolving capital loan mechanism in Cambodia for agricultural cooperatives and rural cooperatives to improve production skills and entrepreneurship of farming households should also be examined. Local governments could organise vocational training institutions to provide training to rural cooperative members, such as training on crop planting and livestock feeding. Farming households that complete the training can receive free loans from the rural cooperative to start their businesses. Farming households that successfully start a business can deposit money in the rural cooperative account to form a capital pool. The rural cooperative then uses this capital pool as a revolving fund, and members can borrow money in turns.

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Chapter Three: International Lessons in Reducing Poverty Through Social Services: Social Protection, Education, Health and Nutrition

3.1 Introduction

Chapter 1 of this book presented the unbreakable linkages between poverty and key social services, such as health, nutrition, education and social protection. The lack of these services is such a serious cause of poverty that poverty is increasingly being defined as multi-dimensional in order to give access to those services the same importance as lack of income in terms of defining the very meaning of poverty. More effective government programmes in these sectors can help today's poor emerge from poverty and also reduce the risk of vulnerable households falling into poverty.

International experience has demonstrated that sustainable solutions to problems in these dimensions of poverty are also inherently linked. Improving educational services is important, but if households lack the financial resources to pay for their children to attend school, or require their children to drop out in order to earn income, the result will be educational failure. Schools are also a key site for improving and protecting the health of students, through school feeding programmes, improved school sanitation and medical check-ups for parasites, vision and other health issues. Poor households requiring cash assistance very frequently require health assistance as well. If elderly members of a family have no financial support their relatives may need to sacrifice long-term investment in education to earn more income today. Social protection programmes that aim to

counter the vulnerability of poor and near poor households cannot do so effectively without addressing a range of vulnerability features, including health and the risk of workplace injury.

Despite these connections, social programmes are often fragmented, falling under the responsibility of various line ministries, government agencies and local governments at different levels. They are often crafted in response to specific problems without building on or taking into consideration potential complementarities with other programmes or broader public development objectives and policies. Governments and international organisations have achieved significant advances by tackling development objectives separately and have accumulated considerable experience and expertise through those efforts. However, at this stage of development, particularly in middle income countries like China, integrating the full range of social services and benefits into systems and programmes that deal with issues simultaneously is a necessary direction to pursue, despite its potential challenges.

Fragmentation occurs at various levels: (i) among sectors (e.g., health, education and social protection); (ii) in coverage for formal and informal workers; and (iii) at different stages in the individual's life cycle, when the transition from one stage to another is left uncovered. Fragmentation can happen at the policy level and at the implementation/delivery level. To avoid gaps, overlaps, and inefficiencies, the roles and responsibilities of the different stakeholders need to be defined and their actions coordinated.

The danger of fragmented programmes is that, even if they alleviate the immediate consequences of poverty at certain points in people's lives, they may fail to address the underlying causes of deprivation and exclusion. As a result, the beneficiaries of these programmes are still highly vulnerable to the risk of falling behind again as their circumstances change or when shocks occur. People generally have multiple social protection needs and require a package of complementary services and transfers (such as food, education and child support grants, income support and vocational training). These cannot be provided effectively without strong coordination among many government institutions, during the policy design phase, during national-level implementation and monitoring, and down to practical implementation at the local level.

A number of trends have emerged in recent years aimed at addressing the fragmentation problem. These include assistance programmes such as conditional cash transfers and cash plus programmes that integrate different social programmes into one assistance effort. Other important innovations are also highlighted below, including a growing shift towards universality in social protection programmes, and experiments with unified social assistance registries.

3.2 Social Protection

The role of social protection in helping poor households to manage risk and move out of poverty, in preventing the inter-generational transmission of poverty, and in preventing vulnerable households from falling back into poverty, has gained much greater importance over the last few decades, as many previously low income countries grew to middle income status. Direct social assistance to poor households, in cash or in kind, is one core form of social protection. However, the spectrum of social protection goals and programmes is a very comprehensive one.

A lack of social protection is both an urban problem and a rural problem, and we present examples of programmes that work in either or both these areas. The FAO has considerable experience in supporting social protection programmes for poor rural households (FAO, 2017a). They have found that robust social protection systems can play a vital role in allowing poor rural households to manage the many social-economic and environmental risks and shocks to which they are subject (FAO, 2015). Social protection increases use and ownership of productive assets and investments in agriculture at the household level, leading to increases in production. With uncertainty reduced, farmers can make better decisions regarding production, regarding family choices such as education for their children, and regarding the pursuit of opportunities to participate more fully in the rural economy and in society overall. In Ethiopia, for example, the FAO found that every dollar transferred to rural smallholders through social protection programmes generates new income of up to USD 2.52 in rural local economies. However, the FAO also found that about 73% of the world's population has no access to adequate social protection, according to 2014 reports (International Labor

Organization, 2014/2015), and that as of 2011 less than 20% of agricultural workers had access to basic social protection.

Social protection programmes tend to be national in scope, creating a floor of security for all citizens, rural and urban. The following section describes two extremely important innovations that have taken place in social protection in recent decades. Both started with programmes in one or two countries, and both have since been widely adopted to social policy needs in other countries.

The first of these is the use of Conditional Cash Transfers (CCTs) as a substitute for the unconditional social assistance cash grants that have traditionally been the main form of monetary support for poor households. CCTs have already been used for more than two decades, starting with the Bolsa Familia programme in Brazil and the Prospera (formerly called Oportunidades) programme in Mexico, both of which have had an enormous impact on global approaches to this work.

3.2.1 Innovations in Social Protection: Conditional Cash Transfers

Conditional Cash Transfers are programmes that transfer cash to a household subject to their meeting clear conditions that usually, but not always, are related to investment in their children's development, particularly through the utilisation of education and health services. CCTs can also have other conditionalities; medical treatment for expectant mothers, for example, participation in employment training or referral programmes, and so on. The underlying rationale is clear; while providing cash today so that the beneficiary household can overcome the deprivations caused by a lack of income, a CCT requires that the household take steps that will build the conditions for a sustainable productive future for themselves and their children. The goal of education-based CCT programmes, for example, is to break the inter-generational poverty cycle by making sure that the children of poor households receive the education they need to avoid poverty in their adult lives.

The conditionalities provide incentives for households to make the right behavioural choices and, at the same time, the transfers help them meet the financial demands of those choices. School attendance by children often imposes

costs on families, both direct costs and the opportunity costs of choosing not to have the child work and earn income.

How do CCTs work from a governmental perspective? In some respects they are like any cash transfer programme. They require careful and accurate identification of eligible beneficiaries, they require systems to enrol them, effective management and monitoring of payments and, if possible, regular assessments of outcomes. The key difference from other transfer programmes is that CCTs also require the government to monitor compliance with the established conditionalities.

One interesting feature of many CCT programmes has been the use of cutting-edge IT systems. CCT programmes are inherently more complex to monitor because of the large number of actors; schools, medical clinics, social workers, for example, in addition to the providers and recipients of the transfers themselves. Mexico's Progresa/Oportunidades programme, for instance, is known throughout the world for its high-quality information systems and the outstanding data and reports produced from them. From the start CCT programmes have placed great emphasis on effective monitoring and evaluation. As an innovation, and one that received considerable attention from government and taxpayers, the need to monitor and report on results was clear from the start.

While CCTs today operate in a wide range of low and middle income countries, Brazil's Bolsa Familia and Mexico's Prospera (formerly known as Progresa and Oportunidades) CCT programmes are globally recognised. These cover millions of households and are widely recognised as having led to increased school attendance that improved the lives of millions of children.

CCTs are so widespread that only a selection are presented in this book. The impact evaluations of a large number of CCT programmes have also been summarised based on a comprehensive review published by the World Bank in 2009. One specific case study, based on a very recent ILO assessment of the Mexican Oportunidades Programme, which evaluated the overall impact and focused on how the programme was used to achieve better outcomes for women in particular, is also examined.

Case Study 3.2.1: Summary of the Global Assessment of CCTs (Schady, 2009)

[Theme: Finance, Social protection, Community-based approach]

The 2009 World Bank Assessment covered Chile, Colombia, Ecuador, Honduras, Jamaica, Mexico, Nicaragua, Bangladesh, Cambodia, Pakistan, Turkey, and noted the following:

1. CCTs have generally had a noticeably positive effect on household consumption, and on poverty;
2. This positive impact is seen not only on the quantity of food consumption among recipient households, but also on the nutrition content of their food consumption, compared to other families who have similar food consumption expenditures;
3. CCTs have generally had no negative effect on labour market participation by beneficiary households. They have, however, led to marked decreases in child labour in many countries. In Cambodia the average child receiving the transfer was 10% less likely to engage in paid work;
4. Impact of CCTs on school enrolment and attendance is generally quite high, both in middle income countries where CCTs were introduced, such as Mexico, and in low-income countries in various regions;
5. Impact of CCTs on health service utilisation is significant;
6. Although utilisation of services is improved by CCTs, improvements in the resulting health and education outcomes are not always clear. The quality of services remains a roadblock.

This review emphasises that global experience with CCTs has proven to be a highly effective way of incentivising positive changes in behaviour. The introduction of CCTs, for example, almost always results in increased school attendance. However, at times the evidence is not so clear regarding the actual long-term outcomes of the programmes. Increased school attendance, for example, does not always lead to improved skills and economic prospects, likewise an increased use of medical services does not always lead to improved health outcomes. One key lesson of the global experience with CCTs is that governments

must pay attention to the quantity and quality of the services that beneficiaries are required to utilise. CCTs can increase demand for those services, but their supply must meet that demand or the real long-term goals will not be achieved. CCTs in conjunction with investment in the improvement of schooling will be a very powerful tool for improving the lives of poor children.

The Mexican Prospera CCT is one of the most widely studied and replicated social assistance programmes in history. (Lárraga, 2016) It is comprehensive and cross-cutting, requiring strong coordination in planning and implementation, including in its funding which combines the resources of several ministries. It is also widely studied for the innovations it has put in place regarding monitoring and evaluation and accountability.

Prospera is operated by a governmental unit referred to as the “National Coordination Office” located within the Ministry of Social Development. It also has an advisory council whose members represent the Secretariats of Ministries involved in its operation. The advisory council has a technical committee which provides guidance and technical support for policy decisions concerning the design and operation of the programme.

Prospera is a federal programme that receives resources from the Ministry of Social Development, the Ministry of Education, and the Ministry of Health. Since 2001, it has also been receiving resources in the form of loans from the Inter-American Development Bank (IDB). States and municipalities participate in the programme in an operational capacity only, by providing health and education services and in convening beneficiaries to gather their cash transfers on dates appointed by the National Coordination Office; they have no role in programme design or financing, or in the selection of beneficiaries. This helps maintain the transparency and credibility of the programme, and minimises the possibility of abuse at local levels.

Since its inception, one of the distinctive operational features of Prospera has been its institutionalisation, i.e., its separation from political cycles, which increases the transparency of targeting and benefits and maximises the efficient use of resources. This was achieved by relying on the existing administrative systems and programmes which are rooted in law. Duplication was avoided and the supply of

services expanded, and any possibility of local governments, particularly in rural areas more removed from the national government, taking advantage of programme resources to benefit connected parties was negated.

As of 2016, Prospera's total budget was around USD 4.3 billion (MXN 82.19 trillion). The total operational cost of the programme comprises only 1.73% of the national budget; programme regulations commit those resources exclusively for Prospera benefits. (Lárraga, 2016)

Currently, Prospera reaches close to 6.8 million households, approximately 25% of the Mexican population. Its territorial coverage includes all states and municipalities in approximately 115,500 localities. Among the Mexican Government's programmes, Prospera has the largest number of direct beneficiaries and the most innovative and transparent operational mechanisms.

Case Study 3.2.2: The Mexican Prospera CCT Programme – Key Features of the Programme (Lárraga, 2016)

[Theme: Finance, Social protection, Women]

1. The programme integrates three basic components of human capital development: education, health and nutrition, with the explicit goal of reducing current and future poverty. More recently, a binding component was included that is intended to promote social, financial, employment and productive inclusion.
2. Eligibility is conditional on beneficiaries' compliance with co-responsibilities that have been designed to build human capital among beneficiary households.
3. Benefits are differentiated according to the demographic composition of households.
4. In an effort to increase women's control of household resources, in virtually all cases (98%), cash transfers are paid directly to them as representatives of their households.
5. Cash transfers are generally made every two months directly to women via the public telecommunications agency. In-kind benefits are also provided via public health and education services.

6. To avoid incentives to increase fertility or reduce labour force participation, cash transfers are subject to a family ceiling.
7. Targeting is through a proxy means test designed to ensure the inclusion of poor households based on observable characteristics (housing, household assets, pregnancy, etc.). The formula is multi-dimensional and makes use of a statistical model that is intended to reduce clientelism and avoid political manipulation.

Since its launch in 1997, under its original name “Oportunidades”, the Mexican CCT has stressed the importance of rigorous monitoring and evaluation, to enable the Government to transparently report to its citizens on the positive results that such a large and innovative programme was achieving.

Case Study 3.2.3: The Mexican Prospera CCT Programme - Programme Impact (Lárraga, 2016)

[Theme: Social protection, Monitoring and evaluation, Women]

1. Programme operation is continuously monitored, and records of beneficiary data, individual compliance with co-responsibilities, and delivery of cash and in-kind benefits are compiled.
2. Impact evaluation has been in place since the programme’s inception. Relying on national and international experts, these evaluations provide policy makers with information to guide decision-making.
3. Evaluations of the impact on income and poverty have consistently shown that the programme has effectively increased income among the extremely poor and that errors of exclusion (not reaching eligible households) and inclusion (covering ineligible households) have been low. Poverty rates and the poverty gap have both been reduced.
4. Several evaluations found that increased income led to better financial decisions, increased savings and investment, better debt management, and so on.
5. Studies have consistently found that the programme has resulted in improvements in the health and well-being of children, including better nutrition, and reduced incidence of disease.
6. In education, the programme has reduced school drop-out rates as well as

rates of failure in advancing from grade to grade. It has also had a positive impact on early school enrolment, transition to secondary school, and years of schooling. In rural areas, high school enrolment increased. Beneficiaries between 19–20 years old in 2007 showed an average increase in schooling of 0.9 school years. In the age range 17–18, the effect is greater for women: 0.85 years compared to 0.65 for men.

3.2.1.1 CCTs to Promote Preschool Attendance

The importance of preschool education for healthy child development is now universally recognised. However enrolling children in preschool can impose costs on households, making it more difficult for children from poor households to attend. CCTs are now being widely used in developed countries to encourage preschool attendance by poor children. For example:

- The School Allowance in the region of Flanders, Belgium, is a transfer to help poor and middle income households cover expenses related to preschool education for their children. The programme covers kindergarten-age children and provides EUR 90 for eligible families.
- The Kindergarten Allowance in Hungary provides incentives for low-income parents to enrol their children in kindergarten before the compulsory age of five. The programme uses a means test, and an additional eligibility requirement is that the parents should themselves not have completed secondary school. Families receive a HUF 20,000 (EUR 70) lump-sum benefit at the time of first enrolment and another HUF 10,000 (EUR 35) at the start of each additional semester, on condition that the child has regularly attended school. According to legal regulations, kindergarten attendance is regarded as regular if the child stays for at least six hours per day, and if the total number of days missed does not exceed 25% of available kindergarten days.

Similar programmes are being implemented in Australia, Romania, Chile, Bulgaria and other countries. In Chile's case the programme included support for placing children in crèches that were made available starting from the age of one. These have positive poverty impacts on children and parents, as both parents can

work. The long-term impact of these programmes also depends on investment in the supply of high quality education services.

3.2.1.2 CCTs to Promote School Attendance by Girls

One overall theme in poverty-related education work is inclusive education, which targets population groups who are disproportionately unlikely to receive education. In many countries young girls fall into this type of group, and some countries, such as Pakistan, are now using CCTs to specifically improve the school attendance of girls.

Case Study 3.2.4: Pakistan Female Secondary School Stipend Programme (Nazmul Chaudhury, 2006)

[Theme: Education/Training, Women]

Pakistan's programme was an early example of administering gender-targeted CCTs to overcome traditional attitudes that had led to sharp intra-family disparities in investment in the human capital of their children. Faced with low levels of school attendance among women, particularly in rural areas, in 2004 the Government of Punjab, Pakistan, launched the Female Secondary School Stipend Programme (FSSP), as part of a larger World Bank education sector programme. The impact of this programme was carefully evaluated and revealed an increase in female school attendance of approximately 9%. Not only did this reduce the gap between male and female attendance, it also increased attendance by girls from poor households to roughly the same level as those from wealthier households.

Findings regarding long-term impact have been similarly impressive. Middle school completion rates among FSSP recipients were much higher than those from similar backgrounds who did not participate. The participants also tended to marry later and have fewer children, two factors that traditionally hindered women in that region from developing their own economic capacity.

The FSSP results demonstrate how gender gaps in education can be reduced by a CCT, and can thus contribute to overall poverty reduction, especially in low income countries. For example, a large-scale survey in Senegal indicated not only that poorer children drop out more than richer ones, but also that girls drop out

more often than boys. Investing in women's education can strengthen their social, economic and political rights and results in many positive secondary effects, such as better early childhood development and increased participation in labour markets and in the socio-political sphere.

The project also found that another effective tool to promote female education is the employment of young women as teachers. In primary schools that employ women in Pakistan, the female enrolment rates are around 50% compared to around 20% of those schools without female teachers.

CCTs are now being used globally in a broad range of social sectors beyond education:

- In several African countries they are used to encourage people with HIV to observe their antiretroviral treatment regimes and receive training in responsible behaviour to avoid spreading the disease.
- In other countries CCTs are used to provide incentives to expectant mothers to have necessary check-ups and take nutritional supplements, and to follow a proper series of post-natal check-ups and vaccinations later.
- CCTs are also being used to encourage poor households to seek employment. In the United States, for example, recipients of social assistance are required to actively seek employment and to report regularly to their case workers on their progress.

3.2.2 Innovations in Social Protection: Graduation or Cash Plus Programmes

A recent innovation, increasingly referred to as the “Cash Plus” approach to social assistance, because more than cash is provided to poor households, has been applied in several countries and areas in response to the specific conditions and preferences of the associated governments. For example, in Chile, the pioneering Solidario / Programa Puente programme was created as a form of social contract for each family, with psychosocial support placed at the centre of the model. A key feature of this programme was the frequent visits by social workers to each beneficiary household to provide guidance and links to other available social services. Cash Plus approaches have been increasingly used in many advanced

economies where social support includes visits by social workers, training and one-stop shops for job services that are paired with incentives to work.

The Cash Plus approach to poverty reduction has two defining features:

Based on the assumption that cash alone will not make a sustainable difference in the lives of the poorest households, beneficiaries receive a broad range of support. In addition to cash, they may receive productive assets such as livestock for poor farmers, or business equipment for poor urban households, as well as training, health information, life skills coaching, and visits by social workers.

The programmes have a limited duration, generally two years, after which the beneficiaries are monitored but no longer receive cash support. For this reason, these programmes are also known as “Graduation” programmes.

Case Study 3.2.5: The Bangladesh Rural Advancement Committee (BRAC) Graduation Programme (Rashid, 2017)

[Theme: Social protection, Women]

The first well known Graduation programme was implemented in Bangladesh, by a local NGO called the Bangladesh Rural Advancement Committee (BRAC). The BRAC Graduation programme started with a socio-economic mapping of households in the target area, to identify the absolute poor or ultra-poor households. This was done collectively through a participatory wealth ranking exercise. Two separate groups were identified within these households, using locally relevant criteria; the approaches used for these two groups were then designed accordingly.

The first group, known as the Specially Targeted Ultra-Poor (STUP), comprised the most destitute households who lacked access to any productive assets or safety nets. These STUP households typically received a productive asset (i.e., livestock), life and technical skills training, weekly stipends, regular home visits, tailor-made health care and community support. They generally received this for two years, during which time their health, consumption, income and other indicators were monitored. They then graduated, receiving occasional monitoring and impact assessment visits. The second group, considered somewhat less

deprived than the first but still in extreme poverty, were the Other Targeted Ultra-Poor (OTUP). This group received a soft loan instead of the grant of an asset, equating to the major portion of the cost of the asset required to start their enterprise, which was repaid over time and featured flexible terms such as longer grace periods and/or lower interest rates. All other components of the programme were the same for both groups.

An impact assessment of the first phase of the BRAC programme, using panel data collected over seven years (2002-2008), found the following:

1. The programme had a positive impact on the real income, food security and asset accumulation of the ultra-poor;
2. Sustainable impact is mostly achieved in the long-term (seven years after intervention). Productive asset holding by the households, building on the initial programme transfer of assets, increased significantly and was sustained over the long term, indicating that the programme helped the participating households generate a sustainable productive asset base;
3. Cash savings increased from 8% (2002) of programme women participants to 94% (2005) and 98% (2008), while savings by women in the non-participant comparison group only increased from 21% to 30% to 34% over the same period;
4. Participation in the programme had a positive impact on the outstanding borrowing and lending behaviour of participants;
5. In 2002 chronic food insecurity among participant households was significantly higher than non-participant households. By 2005, this had fallen by 47% and 11% respectively;
6. Overall, applying 10 specific indicators related to food security, asset holding, home gardening, etc., the study showed that 8% of the participant households met 7 out of 10 criteria in 2002, which increased to 92% in 2008. Corresponding proportions among non-participants increased from 25% to 64%.

The BRAC programme's impressive results have led to its adoption elsewhere. In Bangladesh itself an urban programme is now being implemented, targeting the urban poor and providing them with assets, training and the other attributes they

need to escape poverty and become self-sufficient. This is an important initiative which is being closely followed.

In recent years, a Graduation programme designed by several of the world's leading development economists was implemented in conjunction with an international consortium of NGOs.^② As with BRAC, this programme featured a comprehensive assistance package for ultra-poor households in rural villages. The designers focused on making it possible to conduct a rigorous evaluation that would capture the real impact of this approach, for comparison with others. Their findings are presented below.

Case Study 3.2.6: The Duflo-Banerjee Six-country Test of the Graduation Approach to Alleviating Extreme Poverty (Banerjee, et al., 2015)

[Theme: Finance, Social protection]

Between 2007 and 2014, Esther Duflo, Abhiji Banerjee and several colleagues conducted a scientifically designed test to evaluate the usefulness of the BRAC graduation approach in six countries: Ethiopia, Ghana, Honduras, India, Pakistan and Peru. The results were published in Science Magazine in 2015 (Banerjee, et al., 2015)

Programmes were designed to meet the specific conditions of the ultra-poor in the six test countries. After eligible households were identified, half took part in the programme and half did not, to allow comparisons over time. In each of the countries participating households received small assets at the start of the test, which they chose from a list, as well as a cash allowance, life skills coaching, health information and other guidance provided through frequent household visits, and access to savings accounts (but not additional funds to save; these had to come from their own funds), as in Bangladesh. The benefits were provided for two years, and the organisers monitored the results of key indicators of well-being (food consumption, food security, assets, finance, physical health, mental health and others). They also tested all participants one year after graduation, and compared them with the non-participatory households.

^② Economist Magazine, 2015 has a very useful short description of this study

The results were summarised as follows in this paper (Banerjee, et al, 2015): “At the end of the intervention we found statistically significant impacts on all 10 key outcomes. One year after the end of the intervention, 36 months after the productive asset transfer, 8 out of 10 indicators still showed statistically significant gains, and there was very little or no decline in the impact of the programme on key variables such as consumption, assets and food security.”

CGAP, with financial support from the Ford Foundation, has also done extensive piloting and evaluation of the Graduation approach, through ten projects in eight countries. The basic approach of these programmes was the same as elsewhere: poor families received food, skills training, access to financial services such as savings, coaching and mentoring over a set period averaging around 24 months. Because CGAP’s focus is on financial inclusion, the assets that were transferred in their programmes were financial rather than physical; seed capital to allow households to make investments that would improve their income stream. CGAP then conducted a rigorous evaluation of their pilot projects, which revealed that incomes and household consumption had increased in all but one. The 2015 assessment of their pilot project in India produced even more impressive results; “after three years, consumption for families in the programme was 12% higher than those without the interventions, and after seven years, consumption was 25% higher.” (CGAP, 2017)

Their conclusion was that “a multi-faceted approach towards helping poor households can foster a sustainable transition to more secure livelihoods and an exit from extreme poverty. It also showed that beneficiaries spent more time working, went hungry on fewer days and experienced lower levels of stress and improved physical health. Some sites showed progress on women’s empowerment and political engagement The Consultative Group to Assist the Poor has successfully proven through a decade of experimentation that the Graduating the Poor Initiative is one of the most effective means of helping the poorest families transition out of extreme poverty.” (CGAP, 2017)

As a result of these findings, CGAP is now expanding its programme and moving it directly under the World Bank, where it will be part of a new initiative, the “Partnership for Economic Inclusion.”

A narrower kind of Cash Plus initiative, one of the earliest ones, was launched by the Chilean Government in 2002. Its justification was essentially that of the BRAC programmes, the recognition that poverty has multiple and mutually reinforcing dimensions, and simply providing cash will not address other dimensions and will thus fail to lift the poor out of the poverty trap. In Chile's case the focus was on complementing cash transfers with intensive psychosocial support by social workers, who also helped the poor households take advantage of other government programmes.

Case Study 3.2.7: Chile Solidario (UNDP, 2011)

[Theme: Finance, Social protection]

Chile Solidario (CS) was a Cash Plus programme implemented from 2002 to 2012. When President Ricardo Lagos came to office in 2000 he made the eradication of extreme poverty a top Government priority. CS was established as part of the Government's effort to adopt new approaches and find new solutions for tackling poverty. It was regarded as a Chilean alternative to the conditional cash transfers that were already attracting a great deal of attention and being tested in the majority of Latin American countries. Chile decided to follow a different strategy by implementing an innovative anti-poverty programme based on a multi-sectoral and integrated approach, combining demand- and supply-side interventions that targeted the most vulnerable families.

The CS innovation emphasised psychosocial support, provided through frequent household visits by social workers, and linkages to other services, as an essential complement to cash transfers. Participation was voluntary and during the period 2002–2012 some 480,000 families (around 2 million people) were invited to participate, of which only 2.2% refused and 5.6% did not fully complete the application.

Conditions for transfers were defined by households and social workers to fit their respective situations, with access to cash transfers being conditional upon satisfaction of those conditions, as set out in a contract agreement between beneficiary households and social workers. Like other Cash Plus programmes CS included a graduation clause. Programme participation was limited to a period of

five years; a first intensive phase of two years and a follow-up phase of three years. The main components of support included cash transfers, additional monetary subsidies, psychosocial support and preferential access to social programmes. Beneficiaries received a monetary transfer (Bono de Protección) on a sliding scale over time: 10,500 pesos (USD 15.45) per month for the first 6 months, which was gradually decreased to 3,500 pesos (USD 5.15) per month between months 19 and 24. From the third year onwards, participants only received an unconditional cash transfer of 3,500 pesos and no longer benefited from psychosocial support.

The most innovative parts of the programme related to the interactions between the psychosocial support intervention and the network of social services. The psychosocial support was considered crucial for bringing vulnerable groups into the network of social services through tailored interventions. Beneficiaries received “preferential access” to services, in many cases benefiting from monetary subsidies for which they had previously been eligible but had never used.

The cost of providing assistance in Cash Plus programmes is considerably higher than the amount spent in traditional cash transfer programmes, particularly the costs of productive asset transfer and frequent house visits. Some observers have raised the question of whether the benefits of this approach justify the larger expense. Cost benefit analyses have been conducted in the Duflo-Banerjee and CGAP tests, and in other BRAC projects, and the results are quite clear. The costs in almost every case are justified by the huge savings due to the limited duration of the programme. Once households graduate most of them will not require further assistance, creating significant savings in government budgets. Further study would be helpful in determining whether all the benefits are needed, such as whether the number of household visits can be reduced, however, the cost of the programme as originally designed still results in overall budget savings over time.

Cash plus programmes also have their limitations. There are some extreme poor who are unlikely to benefit, such as poor people with severe disabilities, or those marginalised households where physical or other conditions greatly constrain their ability to take advantage of the productive asset transfer and other benefits. Other forms of social assistance will therefore always be needed for some of the poor. Having said that, the remarkable success of Cash Plus programmes in recent

years has led to a great surge of interest in them, among developing nations and among development organisations.

3.2.3 Universality

In recent years there has been a growing global trend towards universality in social service provision and, specifically, in social protection. From a historical perspective this trend has been around for some time as basic public services, such as education, became compulsory and universal. However, as more and more countries have moved to middle and upper income status and confronted the growing inequality that almost always accompanies development, there has been widespread experimentation with applying the universal approach to other social services, pensions, child cash allowances, special programmes for new mothers and, in recent years, cash allowances for all households. There have been several motivations for taking a universal approach: to combat rising inequality and ensure that even those facing economic or other obstacles have the opportunity to succeed; to avoid the inevitable targeting errors of means-tested programmes, especially given the dynamic nature of poverty and the tendency for households to move in and out of poverty; the acknowledgement that the expectations of the entire population will rise as development takes place; and to reduce administrative costs which can be burdensome. Several case studies where countries have introduced a universal approach can be examined:

Case Study 3.2.8: Argentina's Universal Child Allowance (Ortiz, Schmitt, & De, 2016)

[Theme: Finance, Education/Training, Children, Adolescents]

As an upper middle income country, Argentina has placed strong emphasis on social protection programmes, and the recent shift to universality in the child allowance programme has achieved impressive results in reaching poor and vulnerable children.

Until 2009 Argentina's main cash benefit for children covered the families of employed workers and was based on contributions collected at the workplace. In 2009, the Universal Child Allowance (UCA) was introduced in response to the effects of the global economic crisis and consolidated several non-contributory

transfer programmes for families with children. This non-contributory cash transfer programme expanded coverage to children aged under 18 (and all disabled children) as well as to unemployed workers, informal workers, domestic workers, temporary workers and self-employed independent workers.

The financing of this allowance for families with children and adolescents is made up of three components:

1. Contributory family allowances (CFA), which cover the dependents of formal middle- and low-income employees, as well as of recipients of unemployment and work injury benefits. In 2016 independent, or freelance workers, also began paying contributions to this programme and receiving a family allowance;
2. Non-contributory family allowances;
3. Tax deductions from income (tax on earnings) for higher income workers with children.

Although universal, the UCA is not completely unconditional. For households with school-age children 20% of the benefit is paid only when the regular school attendance of the child has been certified. The other 80% is transferred automatically every month.

Together, these three components reach 84.6% of children and adolescents in Argentina. In absolute terms, some 10.6 million children and adolescents are covered by an income transfer mechanism. The remaining 15.4% of children and adolescents fall into three groups; (1) those from wealthier families who do not participate in the programme; (2) higher income self-employed workers such as professionals; (3) some independent workers who chose not to enrol; or (4) immigrants residing in the country for less than three years.

The impact of the UCA is quite impressive. Several studies have shown that the policy to extend social protection through the UCA has had a major impact on reducing extreme poverty and inequality and on increasing school attendance by adolescents.

Case Study 3.2.9: The Child Money Programme in Mongolia (ILO, 2017)

[Theme: Finance, Social protection, Children]

Mongolia is a middle income country, whose economy grew rapidly between 2005 and 2014, primarily due to strong growth in mineral exports. The population included 30-40% nomadic herders, some still impoverished and many of whom had moved to peri-urban areas in Ulaanbaatar, where living conditions were difficult. As the economy grew the Mongolian Government came under considerable political pressure to ensure that even poorer households benefited from the country's rapid growth.

When rising global copper prices led to a budget surplus in 2005, the Government introduced the Child Money Programme (CMP), Mongolia's first programme targeting the poor. The initial version of the CMP was not universal; it targeted poor households based on proxy means-testing. It was also conditional, only applying to children who had received mandatory immunisations, lived with parents, attended school if aged 8-17 years old, and were not engaged in child labour. By June 2005, the programme had reached its targeted population, and covered 61% of all children from birth to 17 years old. As the budget continued to improve, in July 2006 the CMP was transformed into a quasi-universal programme by discontinuing the use of the targeting mechanisms, but retaining a soft form of the conditionality on school enrolment.

In 2007, the decision was made to make the CMP a universal unconditional benefit, with the introduction of a quarterly cash transfer of MNT 25,000 (approximately USD 22) for all children. After the programme was dropped in January 2010 and replaced by a smaller annual grant to all Mongolian citizens, in September 2012, the newly elected Government re-introduced the CMP, providing a cash transfer of MNT 20,000 (approximately USD 15) per month to all children under 18 years, financed from Mongolia's Human Development Fund (HDF). The re-instated CMP remained unconditional and universal but contained simplified procedures for implementation. Citizens could open accounts at any commercial bank in order to receive their children's money and, as part of their Corporate Social Responsibility, the banks did not charge service fees.

Mongolia's experience with its universal child cash allowance illustrates that even in a new middle income country a universal approach can have many advantages: simplicity in administration, avoidance of targeting errors, and a reduction in inequality.

Case Study 3.2.10: El Salvador, Universal Social Protection (Ortiz, Schmitt, & De, 2016)

[Theme: Health, Social protection, Children, Elderly]

El Salvador is a small middle income country with a population of 6.3 million and GDP per capita of USD 4,224. In 2009, El Salvador created the legal basis for a Universal Social Protection System (USPS) and in 2014 the Congress adopted the Development and Social Protection Act to institutionalise the USPS and enhance its operation. The comprehensiveness of the USPS is extraordinary; it covers all vulnerable population groups, from children through to the elderly, focuses on gender equality, and provides protection in the areas of health, food, income security, and vocational training.

The initiative has been transforming the structure of the social protection system in El Salvador and has had an impressive socio-economic impact. Between 2008 and 2012, poverty rates fell from 39.9% to 34.5%, while income inequality, measured by the GINI coefficient, dropped from 0.48 to 0.41, a dramatic improvement.

The USPS includes non-contributory universal interventions, ensuring a social protection floor for the whole population, which is complemented by contributory components.

Non-contributory components are mainly targeted at the socially vulnerable. The main programme, Caring Communities (urban and rural), involves interventions for specific age groups: the School Kits programme targets children; the Temporary Income Support programme targets working-age individuals; and Our Senior Rights programme targets the elderly. The non-contributory component also includes universal health care provided through the Ministry of Health. In addition, social security provides contributory coverage to 25% of the population.

Contributory programmes are organised through social insurance and a private pension scheme. Contributory coverage encompasses medical care, sickness and maternity, and compensation benefits for accidents at work and occupational diseases. Since 1998, disability, old age, and survivors' benefits have been administered by the Pension Savings System, a system based on individual accounts and handled by private pension fund administrators.

The Technical Secretariat of the Presidency (TSP) is responsible for coordinating the system and several institutions and ministries are involved in its implementation. The USPS has three principal management tools: the Single Registry of Participants, the Social Programmes Information System, and the Social Policy Monitoring and Evaluation System.

Since the introduction of the USPS, El Salvador has increased its investment in social programmes significantly. It is estimated that in 2013, expenditures on non-contributory transfers reached an amount equivalent to 0.7% of GDP. Between 2011 and 2013, the Government financed approximately 65% of expenditures; the balance was financed with non-reimbursable funds from the European Union, Luxembourg Development Cooperation, Spain's AECID, and USAID, as well as with loans from the IDB and the World Bank.

According to the TSP, over 2 million people have benefited from the USPS since 2009 – equivalent to 30% of the population. In 2013, the USPS invested over USD 183 million in non-contributory benefits, reaching over 125 municipalities and over 1.4 million beneficiaries.

The social programmes in El Salvador generate productive chains and impact other sectors of the economy, emphasising the strengthening of local economies. Some of the programmes have placed a priority on the mobilisation of local micro-enterprises as providers of school supplies, uniforms, and food products. It is estimated that, in this regard, nearly 50,000 jobs have been generated and close to 4,300 suppliers have been hired since 2009 and this number continues to rise.

Although challenges remain, the impact to date that El Salvador's USPS has had on poverty and inequality has caught the attention of many other middle income countries in Latin America and elsewhere.

3.3 Social Protection for the Elderly

The elderly population is frequently one of the most vulnerable subgroups. Traditional family-based support systems erode as development and urbanisation take place, and without a reliable and adequate public income support and health care system many elderly people are subject to severe deprivations and poverty. Demographic changes during development exacerbate this problem; life expectancy increases and birth rate decreases, leading to a steady increase in the ratio of the elderly requiring social protection to those contributing to the system, making it more and more costly to provide the protection the elderly need and deserve.

Population aging is a notable trend throughout most of the Asia Pacific region, with only a small number of relatively low income countries not yet facing this challenge. Advanced economies in the region, such as Japan and Hong Kong SAR, have been dealing with the challenge for some time, but have high overall income levels and well developed financial sectors that give them options most middle income countries cannot afford. However, they still face many difficult choices as the contingent liabilities of their systems increase steadily with life expectancy.

In almost all countries the role of traditional contribution-based pension systems in providing a safety net for the elderly has been steadily shrinking. Those systems are still important, but there are large numbers of elderly who do not have access to them, mostly members of vulnerable population groups whose need for protection is therefore greatest. These include women, many of whom did not have the same opportunities as men during their working age to participate in contribution-based pensions, informal sector workers, and the disabled. Unequal opportunities in the labour market can translate into unequal protection in old age, unless government policy corrects this problem. Often these same people have not had the opportunities to build their own savings or other assets to support them during old age. In many of the countries which have grown rapidly in recent decades, new contribution-based pension systems promise retirement benefits to the currently-enrolled workforce, but these were created too late to provide adequate benefits for older workers or retirees; this

group also requires a different source of financial security.

For those affected some form of government-financed social pension system offers the best and often the only hope for protection from severe poverty during old age. Social pension systems are becoming a central component in social protection systems around the world, including in the Asia-Pacific region. China has been one of the leaders in establishing such a system, but has yet to provide the security and universal coverage that is its long-term goal. As in other social protection sectors, the fundamental challenge is how to increase coverage and the adequacy of benefits to meet the rising needs of vulnerable groups in a more developed society, and to do so in a fiscally sustainable and administratively feasible way.

One vitally important policy-level aspect of effectively managing pension systems is the need to incorporate accurate demographic data into development planning. The United Nations Population Fund (UNFPA) has worked with many developing countries on integrating the latest demographic tools and experience into their development planning and poverty alleviation work. The links between demographics and poverty are varied and complex; in some countries, rapid demographic transitions to an older population are creating pressures on government fiscal and social protection systems, whereas in others high fertility rates and rapid population growth are creating strains on social services and job creation. Although they are quite different, in both cases demographic trends are directly linked to poverty trends.

Incorporating sound demographic analysis is important, not only in successfully addressing poverty among the elderly, but also in obtaining a clear prognosis of the whole age structure of the population for planning purposes, including for health care, education and infrastructure. This aspect of UNFPA's work is highlighted because in China's case, and in several other countries in the Asia-Pacific region, the aging trend is an urgent demographic challenge.

Case Study 3.3.1: UNFPA's Work with Governments on Incorporating the Analysis of Population Dynamics within Development Planning and Management (UNFPA, n.d.)

[Theme: Health, Cross-departmental coordination, Children]

Aligning development plans to population structures and trends, to enable the targeting of optimal interventions to a given location, population sector, or point in time, can contribute to the success of poverty alleviation efforts. The world currently faces unprecedented diversity between countries in their population age structures, with some countries still very young and in the early part of the demographic transition, others on the cusp of a possible demographic dividend, while others grapple with rapid population ageing.

The key to addressing national differences in population dynamics is to ensure that all countries have the technical ability to generate high-quality and up-to-date demographic intelligence. UNFPA's contribution to poverty eradication efforts in this regard includes capacity strengthening to improve the use of census and survey data, supplemented by remote sensing and selective “Big Data” to provide information on development and humanitarian interventions. (Mubiala, 2015)

The importance of finely disaggregated population data for achieving the goals of the International Conference on Population and Development Beyond 2014 (ICPD) and Agenda 2030 cannot be under-estimated. More than 98 of the 230 SDG indicators require denominator and/or numerator estimates, and disaggregation across multiple strata to identify and locate the most vulnerable, and to target investments accordingly.

In 2015, UNFPA developed dashboards which mapped key social and economic indicators and were accessible for the public and policy makers through the UNFPA website. These data-mapping innovations have been instrumental in enabling policy makers to identify, prepare for and respond to demographic trends. The Government of Zambia used this data-mapping to help develop a national strategy to end child marriage, as the mapping indicated the most prevalent areas for child marriage and linked the practice to key socio-economic factors such as poverty.

Also in 2015, UNFPA helped 11 countries undertake holistic analyses of population trends showing the relationship between demographic shifts, reproductive health, poverty, and economic and social development.

In collaboration with Indonesia's Ministry of Development Planning/National Development Planning Board (BAPPENAS) and BPS Statistics Indonesia, UNFPA produced the 2010-2035 Census Based Population Projections as the main information source for the 2015-2019 Indonesia Medium Term Development Plan, allowing the implications of population dynamics to be factored into the national poverty reduction strategy.

Countries can take many different approaches in establishing and operating their social pension systems. The first key question is whether they will be means-tested and target poor elderly individuals, or whether they will be universal. If they are means-tested this invariably means they are supplemental to other contributions-based national systems. There are many useful examples of both means-tested and universal systems. In Asia, the social pension systems of Bangladesh, Mongolia, Sri Lanka, and Vietnam are all examples of means-tested social pensions, directly targeting individuals who (a) are elderly, (b) have income that falls below a defined line, and (c) do not have access to other pension support. Each of these countries defines these conditions differently, each sets its own poverty line and its own benefit level. The Republic of Korea established a means-tested, non-contributory pension scheme in 2008 with a qualifying age of 65 (ADB, 2012). In 2014, the Korean Government changed the benefit formula for that pension, with the result that the minimum benefit nearly doubled.

The Mongolian practice of setting earlier retirement ages for women is controversial, both because it leads to less labour force participation by women and because it leads to higher pension expenditures, especially as in Mongolia the life expectancy of women is now nearly 10 years longer than men's.

Effective social pension systems have a large impact on poverty rates, both through their direct impact on the well-being of the elderly and their indirect effect on other household members, whose participation in school and other welfare-enhancing activities is facilitated. Examples of this can be seen in the following case studies:

Case Study 3.3.2: Countries That Combine Social and Contributions-based Pensions Schemes (ILO, 2017)

[Theme: Social protection, Elderly]

Argentina: Coverage rates of elderly people rose from 69% to almost 100% between 2003 and 2015. The extension was made possible partly through a temporary measure (the pension moratorium) under which older adults, who had not made the 30 years of contributions required to receive benefits, became eligible by paying the missing contributions retroactively through enrolment in a plan offering favourable payment conditions.

Brazil: The old-age pension system integrates contributory, semi-contributory and non-contributory schemes covering both public and private sector workers and smallholder farmers and rural workers. Non-contributory social assistance grants are means-tested benefits for people aged 65 or over and persons with disabilities. The system has nearly universal coverage, with 80.2% of those aged 65 and over receiving a pension in 2014. For contributory schemes the benefit levels are earnings-related, equating to the minimum wages of smallholder farmers, rural workers and those receiving a social assistance pension.

China: Before 2009, only two institutional mechanisms for income security in old age existed: one for urban workers based on social insurance principles, and one for civil servants and others of similar status based on the employer liability approach. In 2008 under 250 million people (including pensioners) were covered by these mechanisms, about 23% of the population aged 15 and above. Following a series of reforms in 2009, 2011, 2014 and 2015, an old-age pension scheme was established for the rural and urban populations not participating in the social insurance scheme, while the civil servants' scheme was merged with the social insurance scheme for urban workers. In 2015, 850 million people were covered under the reformed pension system and by 2017, universal coverage had been achieved.

Kyrgyzstan: The contributory retirement, disability and survivors' pension is the largest social protection scheme in Kyrgyzstan. It covers workers in the public and private sectors as well as the informal economy and agricultural workers. Since

2011, an additional non-contributory Monthly Social Benefit has covered other older people, with a benefit amount fixed at KGS 1,000 (approximately USD 15). More than 90% of the population aged over 65 receives a pension, which has a major impact on reducing poverty in old age.

Maldives: Coverage was successfully extended through a series of reforms between 2009 and 2014, which established a two-pillar system including the non-contributory Old Age Basic Pension and the contributory Maldives Retirement Pension Scheme. The system covers public sector employees and has extended coverage for the private sector (2011) and for expatriates (2014). The Senior Citizen Allowance provides a further pension top-up to address poverty and inequality. Pension coverage has gradually increased since the reforms and by 2017 was close to 100%.

South Africa: South Africa was the first African country to introduce a social pension for older people to extend coverage for those who did not have social insurance. The Older Person's Grant is an income-tested, monthly payment of ZAR 1,500 (USD 112) for those aged 60-75 and ZAR 1,520 (USD 114) for those above 75. It is paid to around three million older people in South Africa, reaching up to 100% coverage in some jurisdictions. The Older Person's Grant is given to citizens, permanent residents and refugees with legal status and is estimated to have significantly helped reduce inequality, with a Gini coefficient of 0.77 (without grants) and 0.60 (with grants).

Case Study 3.3.3: Countries with Universal Social Pensions (ILO, 2017)

[Theme: Social protection, Elderly]

Bolivia: Despite having the lowest GDP per capita on the South American continent, the Plurinational State of Bolivia has one of the highest coverage rates in old-age pensions. With the 2007 introduction of the non-contributory old-age pension, the Renta Dignidad, the country achieved universal coverage. Renta Dignidad reaches around 91% of the population aged over 60, providing benefits for those without contributory pensions of around USD 36 per beneficiary and around USD 29 for recipients of contributory schemes. The programme costs around 1% of GDP and is financed from a direct tax on hydrocarbons and

dividends from state-owned companies. It has led to a reduction in household poverty of 14% and has secured beneficiary incomes and consumption. In households receiving this benefit, child labour has halved and school enrolment is almost 100%.

Botswana: The universal old-age pension is estimated to reach all citizens above 65 years of age. The pension is a monthly cash transfer of USD 30, which is just over a third of the food poverty line; it is modest but sustainable. This pension and other social protection programmes, complemented by drought response and recovery measures, have contributed substantially to overall poverty reduction, with extreme poverty in Botswana falling from 23.4% in 2003 to 6.4% in 2009–10.

Lesotho: With more than 4% of its population aged above 70, Lesotho has a larger share of older people than many countries in Sub-Saharan Africa. These citizens are entitled to a monthly old-age pension of LSL 550 (USD 40). It is the largest regular cash transfer in Lesotho, providing approximately 100% coverage for roughly 83,000 people, and is estimated to indirectly benefit many more. The pension scheme costs about 1.7% of GDP and is financed by general taxation, which largely comes from the revenues of the Southern African Customs Union. Complementary services and transfers provided as part of the national social protection system include subsidised or free primary health care at Government health centres and Government hospitals, free antiretroviral treatment medication for HIV/AIDS patients, and a cash grant administered by local governments for those deemed “needy”.

Timor-Leste: The old-age and disability pension is a universal, non-contributory scheme for all Timorese people aged over 60 and those living with disabilities. It reaches 86,974 older people and provides USD 30 per month, which is slightly above the national poverty line. A 2011 evaluation estimated that the pension had reduced national poverty from 54% to 49%, and poverty among older people from 55.1% to 37.6%.

Thailand’s pension reform has captured considerable global attention because of its positive outcomes. A more detailed analysis is therefore presented below.

Case Study 3.3.4: Thailand's Universal Pension Reform (ILO, 2016)

[Theme: Social protection, Elderly]

Thailand is a middle income country with per capita GDP of USD 5,900. The country is aging more rapidly than the rest of Southeast Asia, and more than most other countries with similar income levels. In 2016, 11% of the Thai population (about 7.5 million people) were 65 years of age or older, compared to 5% in 1995. By 2040, it is projected that 17 million Thais will be in this group, more than a quarter of the population. Together with China, Thailand has the highest share of elderly people of any developing country in East Asia and the Pacific. This has been driven by a rapid decline in the total fertility rate, which fell from 6.1 in 1965 to 1.5 in 2015, well below the replacement rate.

Before 2009, Thailand's pension system was a combination of several contributory schemes for Government officials, private sector employees and informal economy workers. However, the system had several flaws: first, coverage of the informal sector was very limited; second, many older formal sector employees were unable to receive benefits because they had not met the required minimum contribution; and third, although the Government attempted to complement the system with allowances for the "underprivileged elderly", those without enough income to meet expenses or without access to caregivers, problems with targeting by local governments resulted in the system failing to work properly. Thus, only 20% of older people in 2008 had access to some level of protection.

Faced with these problems, and with a rapidly ageing population, in 2009 the Thai Government introduced a non-contributory old-age allowance and universal coverage was achieved soon afterwards. By 2013 the system had begun covering an additional 5.5 million beneficiaries.

Under this universal scheme, the allowance is supervised centrally, under the Department of Social Development and Welfare. Local offices are responsible for registering eligible inhabitants and for distributing the funds, but as the scheme is universal no means-testing or other targeting is required.

The universal old-age allowance is the only pension that many workers in the

informal sector receive. It also serves as a complementary source of income for workers in the formal sector. The introduction of this programme had an immediate impact on poverty. World Bank analysis indicated that between 2008 and 2010 poverty among the elderly declined from 17.0% to 13.2% and that the poverty rate among pension recipients fell from 23.7% to 13.5%.

The introduction of this system, with its rapidly expanded coverage, reduced administrative complexity and sharply reduced poverty rates among the elderly, is a remarkable achievement for Thailand. The Government is now planning to further increase the benefit levels of both the contributory and universal pension schemes.

Virtually all upper income countries have social pension schemes with a non-contributory system serving as a safety net for the elderly poor. What is noteworthy is that many other middle income countries, including relatively low middle income countries, such as Bolivia, have also adopted universal pension systems in recent years. The underlying rationale of reducing poverty and inequality is proving to be quite compelling. Even in Hong Kong, well known for its reliance on contributory programmes, the poverty rate among the elderly is now at 30% and a universal non-contributory scheme is now under active consideration.

3.4 Workplace Protection – International Labour Standards and Workplace Injury Compensation

One of the three poverty-related targets of MDG 1 was to “Achieve full and productive employment and decent work for all, including women and young people.” In earlier sections of this book we have discussed approaches to employment generation as an instrument for poverty reduction. However “decent work”, which is even more fully incorporated in SDG #8, is still a global challenge. The final global MDG progress assessment, issued in 2015, reported that although progress had been made, 45% of all workers were still working in vulnerable conditions, almost never receiving the benefits that come with decent work. More than half of the world’s vulnerable workers were found in Sub-Saharan Africa and Southern Asia, where the working conditions of three out of four workers are

classified as vulnerable. The number of workers in vulnerable employment has increased by 25 million since 2008, because of the increasing number of people entering the labour market and the limited opportunities for paid employment. Currently there are 1.45 billion workers in vulnerable employment worldwide.

The ILO's International Labour Standards (ILS) are designed to make sure that employment can play a full role in reducing poverty. A recent ILO report noted that "Labour is not like an apple or a television set, an inanimate product that can be negotiated for the highest profit or the lowest price. Work is part of everyone's daily life and is crucial to a person's dignity, well-being and development as a human being. Economic development should include the creation of jobs and working conditions in which people can work in freedom, safety and dignity. In short, economic development is not undertaken for its own sake but to improve the lives of human beings; international labour standards are there to ensure that it remains focused on improving human life and dignity." (ILO, 2014)

International labour standards are legal instruments drawn up by the ILO's constituents (governments, employers and workers) setting out basic principles and rights at work. They are either Conventions, which are legally binding international treaties that may be ratified by Member States, or Recommendations, which serve as non-binding guidelines. In many cases, a Convention lays down the basic principles to be implemented by ratifying countries, while a related Recommendation supplements the Convention by providing more detailed guidelines on how it could be applied.

The implementation of proper labour standards is one of the key channels by which economic growth is translated into poverty reduction. The next case study examines how their application, or lack of application, can be diagnosed.

Case Study 3.4.1: Philippines, Decent Work Country Diagnostics (ILO, 2017)

[Theme: Social protection, Monitoring and evaluation, Women, Adolescent]

The relatively strong economic growth experienced in the Philippines over the last decade was not inclusive; it did not translate into the creation of new decent work and therefore had a limited effect on reducing poverty and inequality. An

ILO diagnostic study analysed why this had occurred and produced the following key recommendations:

1. Although many policies, laws and institutions aligned with international labour standards exist, there are gaps in implementation and enforcement. Policy areas where laws and institutions already exist may be insufficient or need revision or updating; there are also areas where new laws and institutions need to be introduced.
2. To help focus on labour and employment issues, a new national decent work agenda should be urgently developed, based on the development framework of the Constitution, which supports the Government's national development agenda and the SDGs.
3. Realising decent work and inclusive growth must consider multiple factors. Particularly crucial are factors like the country's constrained capacity to produce due to inadequate infrastructure, support facilities and the high costs of doing business, a pattern of "job-slow" growth and the structural disconnect between GDP growth and employment growth, skills and job mismatches, low productivity especially in agriculture and in micro-, small- and medium-sized enterprises (MSMEs), and the extent and depth of the problems of inequality, vulnerability and poverty.
4. Urgent attention should be given to the working age population addressing its relatively low labour force participation rate that is persistently skewed against women and an employment profile that is dominated by young, low-skilled, low-paid or under-employed workers, and the precarious and vulnerable nature of many forms of employment especially in the informal sector and among women and youth.
5. The fundamental principles and rights at work are generally recognised in national law. Implementation, enforcement and enhancement of policies and laws against child labour, forced labour, non-discrimination and equality of opportunity, access and treatment, and freedom of association and collective bargaining should be improved. In particular, the national policy framework on freedom of association and collective bargaining should be reviewed and modernised considering the declining trade union density and collective bargaining coverage rates and the emergence of new work arrangements.
6. The Occupational Safety and Health (OSH) law and other national social

legislations are generally aligned with international labour standards. Improvements are again necessary in their implementation and enforcement including the continuous enhancement of the administrative capacity of the inspectorate. Currently these standards are only effectively applied in the formal sector, leaving workers in the larger informal sector unprotected.

7. Key challenges remain on specific issues: determining the prevalence of excessive working hours, the effectiveness of the wage-setting mechanism, instances of occupational and sex-based segregation and pay disparities, opportunity and treatment. The lack of security of tenure and precarious employment must also be addressed, especially as non-regular or non-standard forms of employment are frequently a characteristic of new and future work arrangements.

The ILO analysis gives a clear picture of the importance of International Labour Standards in making employment a strong tool for poverty reduction, and in shaping UN work and government policy around the globe to achieve SDG #8.

A central component of workplace protection is employment injury insurance. As with any social protection scheme, employment injury insurance should be analysed from two perspectives: (i) coverage (i.e., the ratio of the workers enrolled to the total pool of those who should be enrolled) and (ii) adequacy of benefit.

The ILO provided assistance to Bangladesh following the tragic Rana Plaza collapse in 2013, where 1,134 people died and approximately 2,500 were injured. A Coordination Committee was established in the aftermath of the accident, including the Government, trade unions, NGOs and employers. The ILO provided technical assistance and acted as the neutral Chair of the Committee. The Committee's purpose was to determine an appropriate compensation scheme for the victims, to make recommendations regarding ways to avoid similar incidents in the future, and to improve the legal framework for compensation when accidents occurred.

The incident highlighted the need to improve health and safety standards and to put a reliable system in place to compensate and support victims and their dependents when workplace accidents occur.

Case Study 3.4.2: Bangladesh Employment Injury Assistance (ILO, 2017)

[Theme: Social protection, Monitoring and evaluation, Women, Adolescents, Informal sector workers]

The Rana Plaza collapse in 2013 highlighted the serious shortcomings in the existing workplace injury compensation system. The system, embodied in the Bangladesh Labour Act, is an employer liability programme, requiring employers to provide lump-sum compensation for death or permanent disability caused by work-related accidents. The shortcomings were identified as follows:

1. A lump sum payment did not guarantee long-term income security for workers and their dependents;
2. The compensation levels fixed in the law were inadequate, and did not meet the minimum standards of the ILO's Employment Injury Benefits Convention;
3. When the Rana Plaza collapsed most of the employers were put out of business, and were unable to pay the required compensation;
4. Injuries that made workers eligible for compensation were defined in an arbitrary and incomplete manner, that overlooked many serious injuries.

To address these shortcomings, the Government determined to establish a national employment injury insurance scheme to provide adequate, sustainable long-term protection to workers who suffered serious workplace injuries, including compensation and access to health services. The Government signed a Letter of Intent with the ILO and the Government of Germany to develop a national Employment Injury Protection and Rehabilitation (EIP&R) Scheme in line with the ILO Employment Injury Benefits Convention, 1964 (No. 121.)

Following the key principles highlighted in the Convention, the national EIP&R provides protection in the form of:

1. Long-term periodical payments instead of lump-sum payments;
2. Compensation for the loss of income over the lifetime of injured workers and dependants of deceased workers;

3. Lifetime medical and associated care provided for severely injured workers; and
4. Vocational rehabilitation programmes to reintegrate injured workers into previous or alternative occupations.

The EIP&R serves many national economic and social purposes beyond providing fair treatment for injured workers, in that it also provides protection for employers bankrupted by compensation obligations following major accidents.

Implementation of the new programme will not be easy. More rehabilitation centres will be required to ensure the availability of services for injured workers in urban and rural areas. More effective workplace safety standards are also needed, but these standards, and the capacity to monitor their implementation, are not yet in place. However, this incident, and the ensuing policy review and planned reforms captured the world's attention, and are likely to lead to sustainable improvements in workplace conditions in Bangladesh, and possibly elsewhere as well.

3.5 Education and Poverty Reduction

Education is a central factor in the inter-generational transmission of poverty; poorly educated household heads are unable to earn decent livelihoods and to access information that would help them raise healthy and well-educated children. These children become adults equally unable to provide well for themselves and for their own children. The lack of a good education is one of the most direct causes of poverty and one of the worst deprivations that poor households suffer, unless governments forcefully intervene to guarantee education for all, regardless of income or wealth.

The UN's goal in all its education work around the globe is to break that destructive cycle. UNICEF and UNESCO are the central UN agencies offering education assistance, but education issues are embedded in almost all the work undertaken by the UN. With accumulated experience and with the progress that has been achieved in recent decades, the focus of UN assistance has been clarified, and has also become more ambitious.

MDG 2, the education MDG focused on universalising primary education, implicitly assumed that enrolment was a worthwhile benchmark on its own. (Langthaler, 2016) SDG 4, the core education goal, goes further, striving to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all”. (United Nations, 2016) Global education goals no longer consist merely of ensuring that young children attend school; they embody a commitment regarding the quality of learning, and that this quality education will be accessible to all population groups throughout their lives. SDG education targets now include completion and transition rates from primary school to secondary school and from secondary school to university. SDG 4 also requires the alignment of school education with other policy measures such as pre-school education, vocational training and adult training. Through a broad range of programmes, such as provision of technology-related vocational training for marginalised groups and facilitating private-public partnerships to improve access to and quality of lifelong learning opportunities through ICT, the UN and other development agencies contribute to eradicating poverty by enhancing the socio-economic skills of the poor, thus helping them help themselves.

Education contributes to economic growth as well, by raising economic productivity. However, the SDG targets for education should not be regarded as instrumental in nature, justified on the basis of their contribution to national economic growth. Access to quality education throughout one’s life should be viewed as a fundamental human right, so that all individuals, regardless of economic, gender, ethnic or other status, have the capability to live rewarding and productive lives.

The UN promotes inclusive education, which is defined in the UNESCO Salamanca Statement (UNESCO, 1994) as the recognition of the need to work towards “schools for all” - institutions which include everybody, celebrate differences, support learning, and respond to individual needs. A commitment to this approach is central to the UN’s work in improving inclusive education, which helps to achieve quality education for all learners, including those with disabilities, and for the development of inclusive, peaceful and fair societies.

The conditional cash transfer (CCT) programmes that many governments employ to promote school attendance by children from poor households were

examined earlier in this book. Other countries offer child cash allowances, either universal or means-tested, as ways to improve the income of households with children, thus enabling these children to attend school. The Mexican CCT evaluations (and those of other countries) found that, while these programmes definitely increase school enrolment, the impact on poor children's future lives greatly depends on the quality of the education they receive, which further supports the need to establish quality-related targets in education, in addition to coverage targets. This presents new challenges, as coverage is relatively easy to monitor, while accurately monitoring quality is a question many countries, including developed ones, are still trying to answer.

Providing quality schooling in remote and sparsely populated rural areas is another challenge faced by many countries, including China. The use of dormitories for young children helps make schooling accessible for them but creates new emotional and educational problems for the children. Section 3.5.1 examines one project that seeks to address these problems.

School nutrition, an issue that cuts across education and health, is discussed in detail in the nutrition section of this Chapter (see section 3.7) where a useful case study in Brazil examines the role of schools in ensuring good nutrition for children.

Technical and vocational education and training is another area of intense focus globally. Many educational systems, including China's, concentrate on preparing students for university. However, ensuring that students who are not admitted or choose not to attend academic universities, are also equipped with skills that allow them to be productive members of society is a growing challenge, particularly because of rapid changes in technology and in the skills demanded by today's labour market.

Education is a broad subject and its connections to poverty are profound. This book has focused on experiences that capture some of the most interesting new approaches being taken to meet the challenges and which are highly relevant to China, such as inclusive education for remote rural households and for disabled children and adolescent skills-based education both in and out of school. An analysis is also provided on Singapore's experience in technical and vocational education and training, an area in which Singapore is a world leader.

3.5.1 Inclusive Education: Innovative Approaches to Difficult Challenges

In Mongolia, where primary and junior secondary education are, in principle, compulsory and free, it is difficult to enrol children of nomadic herders in the school system. Those that do attend must often live in dormitories, away from their parents, which can cause emotional difficulties and affect their educational development. Because of these concerns some parents choose not to send their young children to primary school. A highly innovative World Bank programme has developed some impressive ways of dealing with these problems.

The programme takes advantage of the widespread use of ICT, even in herding households, to reach children in their homes. It also organises after-school activities for young children in dormitories, to help counter the emotional stress of being separated from their families and to use that additional time productively. The programme also has a strong focus on engagement with local community groups to mobilise full community support for activities that promote the sound development of local children.

Case Study 3.5.1: Mongolia: Primary Education for the Children of Nomadic Herders (World Bank, 2017b)

[Theme: Education/Training, Community-based approaches, Children]

Nomadic herder families represent nearly 30% of Mongolia's total population of 3 million. These families move several times a year in search of better pasture for their livestock. They are faced with a hard decision when it comes to sending their children to school – splitting up the family or delaying the education of their children. Some families send their young children to live with relatives in the *soum* (district) village centre, or have the mother relocate there with her child, leaving the father behind to herd animals, which creates economic difficulties. Many households choose between two options: send their child to boarding school or delay school enrolment. Most rural children enrol in school without adequate pre-school preparation, often leading to learning difficulties in school. As recreational and development activities at boarding schools were scarce and non-formal education programmes for children start from age 10, the educational needs of

lower-primary grade children were not met. The majority (80%) of school dropout cases of children aged 6-14 occurred in rural areas and mostly in primary grades. Recognising the crucial role of quality early education and the smooth adjustment to school/dormitory life in the children's overall development, a unique project was developed to support the education needs of the children in remote rural communities. The project, financed by the Japan Social Development Fund, was developed in close consultation with local herders, parents, teachers, and education authorities, and introduced several innovative programmes to improve education services at the local level, and to mobilise parents and community members. A home-schooling programme was introduced to help five-year-old children living in the most remote rural areas prepare for school. Children learn by using a specially designed home-based school preparation learning programme and selected educational toys and materials. Parents are the primary teachers, engaging with their children every day through reading, singing, and playing together. Parents borrow learning materials from mobile toy and book libraries established in 30 soums as part of the programme; they are trained by local teachers and provided with their own guide books. The programme helped 3,900 children between 2013-2017, all of whom successfully enrolled in primary school. A study on early childhood education found that the cognitive and non-cognitive skills of these children were significantly higher compared to those enrolled in alternative education programmes, underlining the potential for a home-based model to improve school readiness among hard-to-reach populations.

Previously, many lower-primary grade children of herders who dropped out or never attended school were disabled, homebound, or too young to enrol in non-formal classes. To capture this group, six types of compensatory education programmes were developed to provide home-learning studies for grades 1-3, supported by remote guidance from local life-long learning centres. Around 200 children, including 80 children under age 10 have benefitted and many have been able to successfully enrol in local schools.

To help children adapt to life at boarding school and to spend time productively after school, child development centres were established in 30 schools. These centres offer after-school programmes combining academic, recreational, cultural and development activities, which both enrich and make good use of the

additional hours the children spend at the school. As of June 2017, the programme had reached around 4,400 children, aged 6-10. Community Education Councils were established in 30 soums with voluntary participation by parents, teachers and local government officials to help organise and mobilise the community around children's education and development. The Councils have become one of the most active community units in rural areas, supporting families and children, and strengthening collaboration among parents, schools and local government. The project also provided small-scale, results-based grants to encourage innovation and creativity. A total of 138 community projects have been successfully implemented with this and other funding from soum government budgets or other resources. The project has directly benefited more than 8,500 of the most remote rural children, aged 5-10, in four of the most educationally under-performing and under-served provinces (Arkhangai, Dornod, Sukhbaatar, and Uvurkhangai). The importance and effectiveness of these innovative education initiatives have been recognised by the Government and local communities. The Ministry of Education, Culture, Science and Sports is considering how to scale-up project initiatives nationwide. Local universities, such as Dornod University and Arkhangai Province Teachers College, are exploring ways to include programme methodologies in their curriculum for preparing future teachers and education specialists.

Children with disabilities are another group at high risk of being excluded from education, due to a combination of social norms and inadequate school infrastructure, service supply, and learning practices. UNICEF has been working with many governments to develop programmes to address this problem.

Case Study 3.5.2: Education for Children with Disabilities in Morocco

[Theme: Education/Training, Cross-departmental coordination, Private sector involvement, Children]

To uphold the right to education for children with disabilities, UNICEF Morocco, the Ministry of Education and Handicap International initiated a pilot programme of inclusive education based on local action plans, which focused on improving access and learning practices. Improvements in the use of adaptive teaching methods for six major forms of disability led to the approach being adopted nationally. Mobilisation campaigns prompted parents and families to

demand changes and resulted in an increase in access to education for children with disabilities. The success of the pilot resulted in the region specifically adding the support of inclusive education in its social expenditure budget. The local budget allocation promotes multi-sectoral coordination with health services, with a spill-over effect resulting in better access to medical and paramedical support within schools.

This successful programme emphasised local action plans, and engaged key local stakeholders in the development and design of the approach. National policies that reach out to disabled children are important, but the key implementation work takes place at the local level and requires sustained engagement and consultation.

3.5.2 Monitoring and Evaluation of Programmes for Inclusive Education

Education must reach all children if it is to help in reducing poverty and ending the inter-generational transmission of poverty. This is often the greatest challenge and it will not be overcome simply by greater government investment. Inclusive education often requires fundamental changes in the approaches and attitudes of teachers, principals, and of the local and central education offices as well. Excluded children vary by country; they may be girls, children with disabilities, ethnic minorities, or simply the poorest and most marginalised households. But every country, including the most developed, faces the challenge of ensuring those children benefit from quality education in preparation for productive lives. The importance of monitoring and evaluation for inclusive education is explored further in Case Study 5.9 later in this book.

3.5.3 Adolescent Education, including Technical Vocational Education and Training

As noted above, MDG 2 focused on increasing primary school enrolment rates and achieved impressive results. In the 2030 Agenda the focus broadened and many countries are now placing greater emphasis on adolescent education, to ensure that young people are equipped with the necessary skills and assets to successfully transition to adulthood and productive employment.

Youth unemployment is a global problem, one in which education policy has a central role to play. The global youth unemployment rate reached 13.1% in 2017 (ILO, 2017), equating to more than 70 million unemployed young people. Youth are three times as likely as adults to be unemployed, a ratio that has remained steady for quite some time. If not overcome this situation could create a generation of young people who are likely to be highly vulnerable to poverty throughout their adult lives. The ILO reported that in emerging and developing countries, 16.7% of young workers live on incomes below the extreme poverty threshold of USD1.90/day, partly because they often start their working lives in the informal economy. In developing countries, as many as 19 out of 20 young women and men work under informal arrangements.

Making education relevant for today's adolescents is a great challenge across the globe, in advanced economies as well as in middle and low income countries. In some LICs economic growth is simply too slow and not inclusive enough to create jobs for the large numbers of youth entering the job market. In all economies, an additional problem is that traditional education systems struggle to keep up with the rapid changes in socio-economic conditions, and particularly the rapid changes in the labour market.

The FAO and other UN agencies are actively engaged in working with governments to address rural unemployment among youth. Several lessons can be learned from their experiences in this area.

Case Study 3.5.3: Nigerian Youth Employment in Agriculture Programme (FAO, 2017b)

[Theme: Agriculture, Education/Training, Women, Children, Adolescents]

In September 2013, the Nigerian Government, with FAO participation and support, agreed to launch the Youth Employment in Agriculture Programme, with the goal of educating 750,000 youth agricultural entrepreneurs and market-oriented young producers during a five-year period. (FAO, 2017b) The YEAP provides a framework which supports the country's national investment plans, and focuses on creating good employment opportunities and innovative enterprise development in target-oriented local economic fields for young women and men, through the

development of value chains.

Although Nigeria's economy has maintained considerable economic growth in recent years, it has had little impact on poverty, as it was predominantly driven by commodity exports. About 4–5 million young Nigerians enter the labour market each year, but only a small number enter formal employment. The problems of youth poverty and unemployment are worsening and have become a major social concern. The core pillar of the President's agenda for agricultural transformation is the creation of decent employment and development for youth. For this reason, the Nigerian Government established the "Entrepreneurship Programme for Youth Entrepreneurs", the "Programme for Agricultural Entrepreneurs in Nigeria", the "SME Enterprise Development Fund", and also provided financing to Nollywood, to build an entrepreneurship platform for graduates and youth entrepreneurs, and to encourage youth employment and entrepreneurship.

The agricultural sector has comparative advantages in Nigeria and the Government is committed to attracting youth to agricultural commercial development, thereby replacing the old-generation farmer with new-generation young farmers, revitalising agricultural development, guaranteeing food security and solving a series of social problems. Supported by the Government's Oil Income Fund, the YEAP targets rural youth in 36 states by enhancing their abilities in agriculture, commerce, and information technology, their engagement in commercial production and through market-oriented agricultural production. Approximately 20,000 undergraduates and outstanding youths were selected from six representative states - Bauchi, Imo, Katsina, Lagos, Niger and Rivers - to carry out project implementation. (MOFCOM, 2016) Meanwhile, 18,500 college-educated youths were selected and educated to become agricultural entrepreneurs and encouraged to start their own businesses and find their own jobs independently in agricultural production, warehousing, processing, market services, logistics and in the operation of high value-added agricultural products.

The YEAP includes training on initiating commercial agricultural projects such as land acquisition, agricultural technology improvement, enterprise management, commercial credit, market management, and also provides guidance on marketisation. According to statistics, the YEAP has provided initial training for 6,618 rural youths in Nigeria (3,893 female and 2,725 male), and helped them to

start agri-businesses. The youths receive training in different value chains, such as paddy, aquiculture, poultry, corn, wheat and apiculture. By October 2015, 30,000 youths had benefited from the training facilitated through the project's first phase.

The cooperation between the FAO and Nigeria's Federal Ministry of Agriculture and Rural Development (FMARD) strengthens the implementation of the YEAP at the federal and state level, and provides technical support for establishing a singular investment plan. The Government has allocated approximately USD 235 million specifically for the Programme, and the FAO will continue to provide financial support for YEAP design and implementation and on creating a favourable policy environment. This focus enhances the original YEAP framework and includes (i) providing decent employment opportunities in agricultural policy, and in targeting women and youth; (ii) facilitating youth-friendly information and communication technologies, as well as knowledge management by facilitating cooperation and partnership between institutions; (iii) teaching agricultural, commercial and life skills to young agricultural entrepreneurs, and determining the priority value chains for development.

Most education-based programmes to reduce youth unemployment adopt two broad approaches. First, non-formal education or alternative learning opportunities, i.e., education conducted in community learning centres or other non-school locations, targeting young people who have left the education system already but lack necessary skills and capacities for employment. Second, Technical Vocational Education and Training (TVET) within the school system to build the right skills and capacities to enable students to make a smooth transition to work. TVET faces many challenges, including the assumption in most school systems that high school education should focus on preparing students for college, not on productive education for students who will not go to college.

Two TVET projects conducted by UNESCO, in the Arab States and in Bangladesh, targeted poor young people through innovative non-formal education approaches, providing them with the requisite skills and capacities for leading productive adult lives.

Case Study 3.5.4: UNESCO's Work in Enhancing the Socio-economic Skills of Deprived Youth in the Arab States (UNESCO,n.d.)

[Theme: Education/Training, Women, Adolescents]

A comprehensive skills training and capacity building programme was developed to improve the socio-economic opportunities for marginalised youth in Egypt, Sudan, Yemen and Lebanon, including the Palestinian Camps.

The project targeted a range of problems: increased illiteracy, high school dropouts, gender gaps, and school graduates with limited life skills. To achieve the project goals and improve the socio-economic skills of these marginalised youth, thus facilitating their entry into various employment sectors, the following capacity-developing activities were undertaken:

1. Training of Trainers (TOT) workshops: to enhance the skills of the trainers on social and economic issues (total of 200 trainers attended);
2. Direct training workshops for poor and deprived youth;
3. 25 Multi-Purpose Community Learning Centres (MCLCs); established in cooperation with local NGOs and municipalities in deprived areas, and then used and managed by the youth trained in the direct training workshops;
4. A Memorandum of Understanding was signed with the Egyptian Authority for Adult Education to establish 60 MCLCs in Egypt;
5. A policy-oriented regional conference was held related to increasing the inclusion of poor youth in national policies in the Arab States.

Case Study 3.5.5: Advancing Access to Information and Learning Opportunities in Bangladesh (UNESCO, n.d.)

[Theme: Education/Training, ICT, Adolescents]

Although primary education enrolment has been slowly improving in Bangladesh, the literacy rate of those aged 15 years and above was still only 60.70% in 2012, with serious disparities between urban and rural areas and between genders. In addition, few opportunities existed for lifelong learning and for access

to skills acquisition and strengthening.

To address this situation, in 2013 a national Master Plan for ICT in Education was developed by the Ministry of Education, under the Government's "Digital Bangladesh" strategy, through which the use of ICT for literacy, skills development and access to information is promoted. Furthermore, in November 2014 the Parliament of Bangladesh approved the Non-Formal Education (NFE) Act to provide alternative learning opportunities for school-aged children, achieve literacy for all youths and adults, and promote lifelong learning.

In today's digital era, ICT and mobile-based learning can act as an active platform to promote quality, non-formal education and make learning more efficient for the learners, imparting literacy at a quicker pace than in the past. ICT can also be used in the training and skills development needed for increasing opportunities for decent work.

In Bangladesh, by July 2015, over 128 million people were using mobile phones and over 50 million were Internet users. (Bangladesh Telecom Regulatory Commission)

Given these numbers and the potential provided by ICT for mobile learning, UNESCO conducted a review of the existing resources and practices of mobile phone and ICT, together with a needs assessment, particularly regarding literacy and non-formal education. Based on the findings, UNESCO formulated a project designed to improve access to, and the quality of, lifelong learning opportunities and to strengthen the literacy environment through ICT. The pilot project, assisted by funding from Microsoft, was implemented in Rangpur District and its activities targeted illiterates and neo-literates, particularly adolescent girls and women in disadvantaged situations. Over 400 beneficiaries have been reached through the following activities organised in Community Learning Centres (CLCs):

1. Learning targets for three literacy levels were established (illiterate, neo-literate and semi-advanced) with each group receiving training on ICT, livelihoods and literacy; the semi-advanced group also received English language training;
2. Basic ICT devices for learning activities were provided, such as laptops,

tablet computers, Internet routers, etc;

3. Based on existing digital materials and the needs of local communities, digital material/content was developed for the three learning groups. To date, 70 types of ICT-based learning apps, e-books on literacy, health, agriculture, social values, skills, parenting education, and post-literacy have been adapted/developed.

Initial results of this project have been very encouraging. Learners themselves are taking advantage of ICT to use their new knowledge and skills in their daily lives, and the communities have accepted this new learning modality.

A third UNESCO TVET project provides training both in schools and outside of schools. This combination of formal and non-formal education in one programme is a promising approach as many of the skills deficiencies that underlie youth unemployment need to be addressed in both settings. Too often students who have dropped out of school become invisible to the education system, although they too need to acquire skills that will allow them to participate in society as productive adults. In many societies, the percentage of female dropouts is particularly high, making this a gender issue as well. It is critically important to incorporate gender perspectives into both teaching curricula and methodologies in all TVET programmes.

Case Study 3.5.6: Technology-related Vocational Training for Marginalised Girls in Cambodia, Indonesia and Nepal (UNESCO, n.d.)

[Theme: Education/Training, Community-based approach, Women, Children]

This UNESCO programme provided technology-related vocational training for marginalised girls, utilising schools and learning centres as community catalysts for poverty reduction.

The project was designed and developed to promote gender-equitable technical and vocational education as a means of combating “income poverty” and “human poverty”. It demonstrates ways in which vulnerable girls can be better

equipped with training to seize income earning opportunities, thereby improving their living conditions. The first target group were young girls and women with little or no formal schooling living in marginalised and/or impoverished communities. However, the project also targeted the parents and families of the trainees, vocational school teachers, vocational school administrators, Community Learning Centre managers, education planners and policy makers.

The project tested several innovative approaches at the community level to support the design of national programmes to enhance the outreach of vocational training to marginalised and out-of-school girls, women and youth.

Through the project activities, education was demonstrated to be the means through which a young person's chances of success can be increased and gender stereotypes challenged. For example, participants were taught technical skills usually considered to be the male domain, such as computer repair and maintenance, electronics, automotive, and agriculture (animal raising). They were also taught how to access the skills required for enhancing their individual talents and the tools for ensuring sustainable livelihoods. Equally, the participation, ideals and voices of the girls, their families and the communities in which they live were encouraged and their value recognised.

The project also focused on policy improvements where, through regular information exchange and task force meetings, linkages were built with national programmes and priorities included for gender inclusive and pro-poor technology-related vocational training.

In Indonesia, the Government replicated the pilot model in other schools in accordance with its policy to transform formal technical and vocational schools into community centres, while in Cambodia and Nepal, ministry officials were involved in every phase of project implementation, thus sensitising them to the importance of TVET. Furthermore, the national skills certification scheme currently being developed by the Nepalese Government now includes a section on skills acquisition by out-of-school marginalised youth.

3.5.4 Singapore's Experience as a Global Leader in TVET

The Singapore education system has been at the centre of Singapore's rapid rise to upper income status. While producing world class universities has been one priority of its education policy, Singapore has also focused intensively on developing TVET that could be linked directly to national economic development strategy and needs.

By helping drive economic growth, overcome shortages of skilled labour and reduce social inequalities, technical and vocational education has played a central role in turning Singapore into a high-income country with one of the world's best-performing education systems. The Education Minister has described Singapore's Institute of Technical Education (ITE) as "a shining jewel in our system". (Law, 2012) ITE was established in the early 1990s in response to growing concerns over the education system's ability to meet the demands of a more productive economy and the needs of the young. It is meant for students who register low scores in general academic education and the courses are designed by government and industry.

ITE graduates are valued highly by companies: over 90% of students were employed within six months of graduating in 2007. As the economy has evolved, the Institute has responded with innovative programmes, including partnering with global industry to set up centres of technology in niche areas such as industrial automation, offering joint certificates with companies such as Microsoft and linking with institutes in Germany to offer diplomas in machine technology.

Perhaps the Institute's greatest success has been in combating the stigma associated with vocational education. Successive governments have invested heavily in training teachers, and have involved the private sector, so that the Institute's facilities are comparable to those of the country's universities. Qualifications from the Institute can be used as a route into tertiary-level technical education through polytechnics, or back into academic education through universities. The emphasis on giving confidence to students and overcoming the perception that technical and vocational education is a sign of failure helps explain why Singapore's model has succeeded where others have failed.

In the case study below the factors that have made ITE such a successful part of Singapore's development and poverty alleviation are examined. Because Singapore's experience in this respect is highly relevant to current challenges in reforming and promoting TVET in China, so that non-university graduates are also able to achieve acceptable living standards and avoid poverty, this example is presented in some detail.

Case Study 3.5.7: TVET in Singapore: Singapore's Institute for Technical Education (Seng, 2012)

[Theme: Education/Training, Adolescents]

In 2010, the former CEO of ITE, Dr. Law Song Seng, summarised his experience in a report for UNESCO, entitled "National Policies Linking TVET with Economic Expansion: Lessons from Singapore". (Seng, 2012) The key findings of the report are as follows:

1. TVET continues to remain the "weakest" link in the education systems of many countries. An intense desire to pursue an academic education generates unrealistic expectations amongst parents and undue pressure on students in schools. The consequence is a prejudice against and less-than-positive image of TVET and negative associations with those who are less academically inclined. In reality, the greatest gaps in human resource development are in technical and vocational skills;
2. Simply recognising the importance of TVET is not enough to address these challenges. The real difference will be made through greater concerted efforts in terms of policies, governance, leadership, expertise, capabilities, and a government willing and ready to invest in TVET. The goal is to develop graduates who not only have the technical knowledge and skills but also values for lifelong learning, and the life skills to be entrepreneurial and confident, and ready to contribute to the economy and serve society;
3. Ultimately, the effectiveness and responsiveness of a TVET system would be measured by its impact on the social and economic development of the nation. In this respect, the Singapore Government believes in, and has invested continuously and heavily in, education and training, not only in universities and polytechnics but especially so in vocational and technical

education under the ITE.

4. Throughout its growth and development Singapore has constantly set policies and created institutions that would foster productive TVET. Certification Boards, Vocational and Industrial Training Boards, a Continuing Education and Training System, and many others, at every step aimed to link TVET to Singapore's most current skills needs. One key decision was reached in 1991, when Singapore adopted a new policy of a minimum of 10 years of basic general education for all pupils. Once this decision was made, the need for a post-secondary TVET ITE became clear;
5. ITE's key features are a clear mission: its explicit goal of addressing the needs of the lower 25% of the school cohort, to make them fully productive contributors to the economy and society instead of marginalising them; modern campus infrastructure reflecting the importance of TVET; a rigorous curriculum development process; a process-oriented pedagogical model; and close partnership with industry;
6. TVET systems are dynamic; each country has its own economic, educational and social conditions. However different these might be, the need to link TVET to them is the same everywhere. In developing countries there is no alternative to having government take direct responsibility in TVET, to make it consistent with the government's development priorities and to make clear to all that TVET is a highly-valued component of the country's education system.

Reform and improvement of TVET, including the use of life skills-based approaches, and the creation of clear links between the curricula, methodologies, and both in and out of school education, is a central part of the new global education agenda and the SDGs.

3.6 Health Care Services and Poverty Reduction

3.6.1 Introduction

Poverty and ill health are inextricably linked. Poverty is one of the main causes of ill health, both because poor people live in unhealthy and unsanitary

conditions, and because they cannot afford to access the health care they need. The poor are also often unable to access the information that would teach them how to avoid illness and lead healthier lives.

The link between ill health and poverty goes in the other direction as well. A health shock to a poor family can lead to a worsening spiral of poverty; children drop out of school in order to earn money to replace their parents' income, they borrow money at high interest rates to pay for medical care, or sell the assets that their economic future is dependent upon. For all these reasons health indicators are core components of the Multi-dimensional Poverty Index. Any government effort to reduce poverty and vulnerability must have a vigorous health service component.

The new global health goal is SDG 3, to "Ensure healthy lives and promote wellbeing for all at all ages". A central target under this goal is to achieve Universal Health Coverage (UHC). The WHO defines "universal health coverage" as ensuring all people can access quality health services, without suffering financial hardship associated with paying for care. UHC, while serving as the foundation for SDG 3, contributes to other SDGs as a pathway to equitable and sustainable health outcomes and resilient health systems. The UHC target is the linchpin of the health-related SDGs; the one target that, if achieved, will help to achieve all the others by providing both population and person-centred high-quality services that are free at the point of delivery and designed to meet the realities of different people's lives. (Kieny, 2016)

UHC will have a direct impact on a population's health and welfare. Access and use of health services enables people to be more productive and active contributors to their families and communities. It will also ensure that children can go to school and learn. At the same time, financial protection will prevent people from being pushed into poverty when they need to pay for health services out of their own pockets. UHC is thus a critical component of sustainable development and poverty reduction and a key element of any effort to reduce social inequities. Equity is one key foundation of UHC, because it cannot be achieved without recognising the principle of non-discrimination against any population group, without offering financial protection and without ensuring service coverage and

access to health care to all groups. This will be examined more closely through related case studies.

There is no one-size-fits-all approach to achieving UHC, but certain successes should be highlighted and have been included in this book.

One of the greatest global health challenges today is the prevention and control of non-communicable diseases (NCDs). This is in part a sign of progress in reducing the prevalence of contagious diseases, such as cholera, malaria, and tuberculosis, that were previously the leading causes of death. Now, however, NCDs disproportionately affect people in low- and middle-income countries where more than three quarters of global NCD deaths (31 million) occur. (WHO, 2017) In China, the rapid rise in NCDs has affected poverty reduction initiatives. NCDs affect household health-care costs and vulnerable and socially disadvantaged people are more at risk than people of higher social positions, especially because they are at greater risk of being exposed to harmful products, such as tobacco, or unhealthy dietary practices, and have limited access to health services.

3.6.2 Health Insurance

The social protection systems described earlier include health insurance as a core component. The Colombian system, which covers both urban and rural households, provides an excellent example of such a programme.

Case Study 3.6.1: Colombian Medical Insurance Programme (ILO, 2014)

In Colombia, two types of health care financing models have been established for different groups of people: the contributory regime and the subsidised regime. The financing of the system relies on a combination of workplace contributions from employers and employees and from the Government's general revenue base. The contributory (payment) regime (CR) covers both regular employees and self-employed individuals and collects contributions when the participant selects their insurance provider. The contribution constitutes 12% of the salary, 8% is provided by the employer and 4% by the employee. The insured person selects the insurance company which charges the premium and the contribution of each insured person is deducted by the insurer by a percentage prescribed by law, while the balance is forwarded to a public fund. 1% of the contribution is forwarded to the local

government to fund subsidised health insurance.

The subsidised regime (SR) covers the poor who have no insurance coverage. The funding is derived from contributory health insurance plans and the local and central government. The System of Identification of Social Programme Beneficiaries (SISBEN) is a national registry determining subsidised health insurance. (See Case Study 5.7 for more information on SISBEN.) It is divided into six categories, with one being the lowest and six the highest; only families under SISBEN-1 and SISBEN-2 are eligible for subsidised health insurance. Participants can choose their insurance company which receives the premiums equivalent to the value of service provided according to the law. Various insurance companies have contracts with public and private hospitals, enabling hospitals to provide services to beneficiaries of the subsidised medical plan, however, if the subsidised medical plan does not include a service, SISBEN-1 beneficiaries pay 5% of the cost while SISBEN-2 beneficiaries pay 10%.

The health care system in Colombia has achieved positive results since its reform in 1993. The participation rate in the social health insurance programme rose from 25% in 1993 to 96% in 2014. At the same time, the high coverage achieved by the social health insurance system has had a positive impact on the welfare of the population. The proportion of out-of-pocket expenditures in national health spending declined from 43.7% in 1993 to 15.9% in 2011, significantly reducing the burden on many Colombians due to economic vulnerability. Due to strong funding growth, total health expenditure funded by public resources reached 73.8% in 2011, one of the highest in Latin America.

3.6.3 Enhancing Equity in Health Care Delivery to Achieve Universal Health Coverage for Poor Households

There is no standard formula for achieving UHC given the diverse socio-political and cultural contexts and capacities of countries. However, all countries can take actions that accelerate progress towards UHC, or at least maintain what has been achieved. High-performance health systems are characterised by five attributes: quality, efficiency, equity, accountability, and sustainability and resilience.

These are all essential components for a well-functioning health care system.

This book focuses on addressing the health care needs of poor populations, and therefore includes a section on the WHO analysis (World Health Organization Western Pacific Region, 2016) of regional efforts to enhance equity in health care coverage.

The WHO report (WHO Western Pacific Region, 2016) examined the progress, challenges and lessons learned from efforts to achieve UHC in Northeast Asia (Japan, Republic of Korea, China, Mongolia), the Pacific Island nations, Australia, New Zealand, Malaysia, Singapore, Brunei Darussalam, the Philippines and Vietnam, Cambodia and Laos.

The UN defines equity as the absence of avoidable or remediable differences among groups of people, whether those groups are defined socially, economically, demographically or geographically. Health equity is achieved when everyone has the opportunity to attain their full health potential and no one is disadvantaged from doing so because of their social, economic, demographic or geographic circumstances.

In recent decades most of the world, including China, has achieved impressive health gains. However, these gains remain unequally distributed and too often have failed to reach the poor and other marginalised or socially excluded groups, with underserved populations facing significant barriers in access to health care. As a result, persistent and growing inequalities in health are increasingly evident, both between and within countries.

Out-of-pocket expenditure is more than 40% of total health expenditure in some Asian countries, such as Cambodia, the Philippines and Vietnam. Inequities are also seen in the use of services. Births attended by a skilled attendant are less likely among women with no education or low levels of education, and they are more likely among women living in urban areas than those living in rural areas, with large rural–urban gaps observed in some countries, such as the Lao People’s Democratic Republic and the Philippines. In countries where information on affordability is available, adults from the richest households are routinely found to have the best access to long-term treatment.

Failure to ensure that all groups can access effective, quality and affordable

services is driving some ongoing high-priority communicable disease risks, e.g., drug-resistant malaria and tuberculosis, and vaccine-preventable diseases, so failing to provide access puts the regional population at risk. This has posed great challenges to the countries in the Greater Mekong sub-region, such as Cambodia, China, the Lao People's Democratic Republic and Vietnam. If countries have significant population pockets without such access, such as migrants, it will continue to be difficult to effectively control these priority diseases.

Action is required with both supply- and demand-side barriers to access health services, including financial barriers, geographical barriers, lack of knowledge, information and awareness, and the poor quality or lack of responsiveness of the health system. In addition, measures need to be in place to prevent any discrimination against individuals and communities.

The WHO has identified three key actions that are essential for achieving the necessary level of health equity: (1) financial protection; (2) greater access and coverage of health services; and (3) non-discrimination. These are discussed in more detail below, with regional examples.

The high out-of-pocket expenditures associated with health services often lead to financial hardship and thus deter people from accessing these services. Even small costs can prevent the poor from obtaining the medical care they need. To ensure financial protection is available to enable health care access, the financial barriers to care must be overcome, including both direct and indirect costs, such as transportation expenses, income loss and time costs. This can be done in several ways:

- a) Increase prepayment on health, including through government general revenue and statutory health insurance, and reduce the service cost to patients;
- b) Use prepayment to minimise catastrophic expenditure for life-saving interventions;
- c) For population-level health services, target underserved populations, areas or health conditions;
- d) For individual-level services, introduce subsidies for both direct and indirect costs to improve the usage of health service by those who cannot afford to

- pay, particularly on primary care;
- e) Reduce fragmentation of financing schemes and benefit packages.

The links between health financing and other social protection schemes can also be strengthened by examining the impacts of health financing and social protection schemes, especially for vulnerable populations such as older people, women, those with disabilities, children and the poor.

Case Study 3.6.2: Approaches to Financial Protection in the Western Pacific Region (WHO Western Pacific Region, 2016)

[Theme: Finance, Health, Cross-departmental coordination]

Countries in this region have used different approaches to providing financial protection and improving equity in access based on their specific institutional, economic and societal context:

- In Cambodia, the Health Equity Fund (HEF) was introduced in 2000 and was later introduced in the Lao People's Democratic Republic. Health equity funds are autonomous, district-based schemes that reimburse health facilities for the cost of services provided to the poor, and subsidise transport and food costs during health-seeking episodes. As of 2014, HEF covers 90% of the poor population in Cambodia. Over half the funding comes from development partners, but the Government is strongly committed to increasing domestic funding to sustain HEF;
- Some social health insurance schemes subsidise insurance premiums for the poor. China's Government subsidises about 80% of the health insurance premium for the rural population, while Japan's central and local governments also provide subsidies for vulnerable populations, including people from low-income households and older people. The Republic of Korea has a Medical Aid programme for the poor and the Philippines subsidises households from the poorest income quintile to encourage enrolment in the national health insurance programme, the Philippine Health Insurance Corporation, or PhilHealth. Vietnam pays the full social health insurance premium for people from households below the poverty line and partial premiums for those from near-poor households; the poor

are also exempted from co-payments under the revised health insurance law;

- Many countries provide free high-priority services (e.g., childhood immunisation and tuberculosis) for all population groups. The Lao People's Democratic Republic developed a national policy for free maternal and child health services for all mothers and children under five, funded by the Government and external partners. China developed a free basic health-care package for all its population groups;
- Australia operates a publicly funded UHC scheme, Medicare, to provide access to medical and hospital services for all Australian residents and certain categories of visitors to Australia. Residents are entitled to subsidised treatment from medical practitioners, eligible midwives, nurse practitioners and allied health professionals who have been issued a Medicare provider number, and can also obtain free treatment in public hospitals. Similar mechanisms exist in New Zealand.

To reduce health inequities, universal measures to increase the access and coverage of health services need to be combined with selective measures that provide extra support to the most disadvantaged, vulnerable groups. Merely scaling up existing services in the expectation that the benefits will eventually trickle down to excluded groups is unlikely to succeed. Proactive steps are needed to ensure that marginalised groups benefit at least as much as the rest of the population.

Socially disadvantaged groups use health services less because they typically face multiple barriers to accessing these services, including geographical, language or cultural barriers, lack of knowledge, information and awareness, and the lack of responsiveness by the health system itself. Supply-side barriers limit service availability and thereby access while demand-side barriers influence the capacity and willingness of individuals, families or communities to seek or use services. Evidence suggests that demand-side barriers may be as important as supply factors in hindering patients, families and communities from obtaining needed services.

Improving equitable access to services entails several measures:

1. Ensuring primary-level facilities receive adequate and timely funding;

2. Improving the accessibility of health services through prioritising investments towards underserved populations and the health conditions that affect them most;
3. Increasing health worker availability and accessibility in underserved populations, and through training, modification of their scope of practice, and provision of incentives to improve recruitment and retention;
4. Monitoring equity-focused targets for both individual and population-level interventions.

Ensuring equitable access to service requires policy attention not only to the supply of services, but also to the demand side, with actions that catalyse appropriate demand for services from underserved populations. These include:

1. Targeting information and education towards underserved populations and supporting advocacy efforts and participatory mechanisms to improve service design, access and responsiveness;
2. Providing targeted financial incentives, including vouchers or conditional cash transfers, matched with adequate supply, to improve use, especially of preventive and routine services;
3. Extending the use of m-health/e-health applications and services by frontline workers to facilitate access by underserved areas or groups;
4. Partnering with civil society and patient support groups to improve health literacy and appropriate service use.

Case Study 3.6.3: Recruiting Students in Japan to Provide Improved Access in Rural and Remote Areas (WHO Western Pacific Region, 2016)

[Theme: Education/Training, Health]

Japan's Ministry of Health, Labour and Welfare has been working with prefectures, as well as universities and hospitals, to reduce regional disparities in access to health care through a range of strategies, such as encouraging more doctors to work in remote regions.

Jichi Medical University (JMU) in Shimotsuke, Tochigi, established in 1972, is a unique medical university, the only one in Japan that educates doctors specifically to engage in rural and remote practice. In a joint initiative involving all the prefectures in Japan, the university operates as an educational corporation with a unique scholarship model whereby prefectural governments sponsor students from each of the country's 47 prefectures in return for the students' commitment to work for nine years after graduating at a nominated public hospital or other facility in their home prefecture. (Matsumoto et al., 2010) The scheme has proven successful in delivering health care services to residents of remote islands and mountainous regions.

To support the research activities of its graduate students, mainly young graduates under obligatory rural service, JMU established the voluntary Clinical Research Support Team (CRST)-Jichi. In most cases, JMU graduates work as general practitioners in rural areas for about six years after their residency training. The time spent in the rural practices is obligatory in exchange for exemption of medical school tuition. (Matsumoto et al., 2008)

Recognising the success of the Jichi Medical University's programme, the Japanese Government imposed a system whereby a certain quota of students in a number of medical schools had to commit to practising in the prefecture in which their medical school was located. The system had been introduced in 80 medical schools by 2008 with 15% of medical school entrants enrolled in these programmes (Ministry of Education, Culture, Sports, Science and Technology, 2014). Although these programmes are currently only for undergraduate students, the graduates will need systemic academic support in the future. The experience of CRST may be helpful for these new programmes to create such a support system.

To evaluate the usefulness of this initiative, a careful econometric analysis was conducted, examining where doctors settled permanently after their obligatory time in rural areas. Most had chosen to remain in their rural practices, thus the home prefecture recruiting scheme attained its goal, particularly in medically underserved prefectures. This was particularly the case for primary care physicians, but also applied to other specialties.

The lessons learned from this intervention, for both medical educators

and policy makers in countries searching for effective political interventions to maldistribution of physicians, are particularly relevant. (Matsumoto M, et al., 2008)

Case Study 3.6.4: Increasing Maternal and Child Health Service Coverage in the Philippines (WHO Western Pacific Region, 2016)

[Theme: Finance, Health]

The Government of the Philippines is reducing inequities in the health system by increasing access to health services for vulnerable populations through several targeted approaches.

In 2009, the Philippine Health Insurance Corporation (PhilHealth), the national single-payer social health insurance agency, started providing reimbursements for maternal care and new-born care packages, amounting to 8,000 Philippine Pesos (USD 160). Substantial efforts were made to increase membership by subsidising premiums for the poor. Under the new-born care packages of PhilHealth, anyone admitted into any of the accredited health-care facilities nationwide could ascertain the amount PhilHealth would pay for maternity services. A full set of options were established, covering all levels of facilities and costs.

As a result of this programme, the number of births in health facilities from 2008 to 2013 increased from 44% to 61%.

Additionally, a CCT programme called Pantawid Pamilyang Pilipino Programme, or 4Ps was introduced. (The World Bank, 2017a) The programme makes cash transfers to poor households, conditional upon investments in child education, health and the use of maternal health services. By mid-2012, the programme covered approximately 3 million households and was the fourth largest CCT programme in the world. Health outcomes have been quite impressive, and have included:

- A reduction in severe stunting among beneficiary children;
- Lower maternal mortality, because more mothers deliver babies in health facilities (7/10 live births);

- Drastic decreases in alcoholism in 4Ps households (spending on vices was lowered by 39%);
- 4Ps beneficiaries consume more rice and cereals than non-beneficiaries;
- Child immunisation coverage increased.

Discrimination in health care comes in many forms, through health laws, policies and practices and also through their implementation. It stems from a variety of backgrounds such as cultural, social, gender and ethnic. Because the root of discrimination is often multi-faceted, addressing discrimination in health care requires a comprehensive approach.

The many socio-cultural barriers to access, including gender, ethnicity and stigma due to health status, must be dismantled if discrimination is to be successfully overcome. Staff attitudes and skills are also a critical area of action. Beyond building the capacity of individual staff members, system-wide action is needed to ensure that laws, policies and practices do not directly or indirectly discriminate against individuals or population groups, and that they ensure patient confidentiality. Adjustments to policies and practices should be systematically considered at all stages of health planning and implementation.

If discrimination in health care is to be successfully eliminated the way in which the health care system operates will need to change. Several approaches have been identified to achieve this:

First, providing care that treats all people with respect such as:

- a) Changing organisational policies and culture towards patients in health-care facilities;
- b) Improving the cultural competence and gender sensitivity of health-care staff thereby instilling people-centred values and practices in both individual and population-level services;
- c) Implementing mechanisms and processes to dispel stigma in the community and in service delivery settings related to specific health conditions (e.g., tuberculosis, HIV, mental illness, disability), social or economic status.

Second, providing legal protection:

- a) Developing policies to ensure compliance with international conventions (such as the UN Conventions on the Rights of the Child, the Rights of Persons with Disabilities and the Elimination of All Forms of Discrimination against Women);
- b) Using legislation as a tool to ensure non-discrimination in health services and in society related to an individual's health, social or economic status.

Third, creating opportunities for vulnerable groups to have a voice:

- a) Consulting with relevant communities about health policies and programmes;
- b) Partnering with civil society organisations and using mechanisms, such as patient reference groups, health consumer groups, and village health committees, to consult with less vocal groups such as older people, migrants, ethnic minorities and people with disabilities or stigmatised health conditions.

Case Study 3.6.5: Fostering respectful care for women during deliveries in Cambodia (WHO Western Pacific Region, 2016)

[Theme: Health, Women]

A project on Improving Maternal and New-born Care through Midwifery Capacity Development (2010-2015) was introduced by the Cambodian Ministry of Health, with support from Japan's International Cooperation Agency (JICA). The project's goal was to ensure that all patients were treated with equal respect and care at the National Maternal and Child Health Centre (NMCHC) in Phnom Penh and the Provincial Hospital in Kampong Cham.

One Japanese midwife, who had worked at the NMCHC for over 15 years, described the changes she had seen in health care practices since the introduction of the project, as "... a transformation". According to a JICA survey, 77% of the midwives who had received training reported using their new skills in the workplace. Similarly, exit interviews with mothers revealed that 95% felt secure and safe during delivery, and of the 131 mothers surveyed, 119 said they would choose the same

hospital for their next delivery.

Although challenges remain in ensuring equal treatment and respect, a transformation has undoubtedly begun.

Case Study 3.6.6: Empowering Affected Communities towards the Elimination of Stigma and Discrimination (WHO Western Pacific Region, 2016)

[Theme: Health, Cross-departmental coordination]

In the Philippines, people affected by leprosy have formed formal and informal groups and networks that engage in activities including self-care of disability, treatment partners, mutual support, income generation and scholarships for their children. More than 20 people's organisations and other stakeholders have formed the Coalition of Leprosy Associations in the Philippines (CLAP) to strengthen the social movement to eliminate the stigma and discrimination associated with leprosy. The Coalition provides a platform for advocacy and lobbying on issues such as economic deprivation and social exclusion. It is also a formal structure through which people affected by leprosy can participate in the process of planning, designing, implementing and evaluating policies on leprosy care. The recognition of leprosy as a multi-sectoral and multi-disciplinary concern led to CLAP's formation. People affected by leprosy are now seen not only as clients receiving services but also as partners with a key role to play in addressing the social dimensions of the disease and supporting leprosy control.

3.6.4 The Comprehensive Movement Toward UHC in Argentina

Argentina is a global leader in the provision of universal social services. The country's successful universal child support programme was described earlier in this chapter and a further example, their programme of universal maternity care and health care for men, also provides useful lessons.

Case Study 3.6.7: Argentina: A Phased Process to Universal Health Care (ILO Social Protection Department, 2016)

[Theme: Health, Social protection, Women, Children, Adolescents]

Argentina's economic crisis of 1999-2002 had a severe effect on the country's poor population. As of 2002, 44% of the country's population had no health insurance and, although they could use the public health care system, it was underfunded and characterised by unreliable quality and limited availability of service.

In 2003 the Argentine Government, with technical and financial support from the World Bank, took a series of steps to guarantee universal access to health care for the population. The first steps focused on providing a free package of basic health care services to women and children without insurance. In 2004, the introduction of the Plan Nacer programme, which targeted pregnant women and children in the nine poorest provinces of the country, resulted in substantial reductions in the number of underweight babies and neonatal deaths.

From 2006-2012 Plan Nacer was expanded to cover the whole country, and included incentives to encourage health-care providers to meet high quality standards. During this second phase, a number of impressive results were achieved:

1. The share of babies weighing more than 2.5 kg rose from 47% to 90%;
2. The share of pregnant women going for their first antenatal care visit before their 20th week rose from 23% to 67%;
3. The share of children receiving vaccinations and other care rose sharply;
4. An evaluation report found that in the six poorest provinces in the North, there was a 32% decline in the number of stillbirths and an even bigger decline in deaths among those who delivered in larger hospitals.

In 2012, Plan Nacer was further expanded by the Ministry of Health and renamed Programa Sumar. The additional coverage included children aged 6-9, adolescents aged 10-19 and women younger than 65 years without full health insurance.

In 2015, another major expansion of Sumar was implemented, which added

coverage for men under 65 years of age without health insurance. As of 2015 the programme covered 13 million people.

The links between UHC and other forms of social protection have been another key feature of Argentina's health reform agenda. Social protection in the case of maternity includes maternity protection in the workplace, contributory and non-contributory family allowances and pensions for mothers with seven or more children. In addition, the national legal framework includes paid and unpaid maternity leave for female workers in registered or formal employment. Although there are some differences between the maternity leave policies in the public and private sectors, in both cases the benefits are set at 100% of a worker's salary during the entire maternity leave period and are financed by social security.

At the end of their maternity leave, mothers can take unpaid leave called "excedencia" to take care of their child during the first year. The unpaid maternity leave only applies to female workers in registered paid employment. Men are entitled to paternity leave of up to five days but are not entitled to unpaid leave.

3.6.5 Prevention and Control of Non-communicable Diseases (NCDs)

One of the high priority global health care concerns today is the effort to prevent and control non-communicable diseases (NCDs), such as cardiovascular disease, cancer, diabetes and chronic respiratory illness. As steady progress has been made in reducing the impact of communicable diseases such as malaria and tuberculosis (though this remains a serious problem in many countries) NCDs have now become by far the leading cause of death for all humanity. In 2012, 68% of global deaths, 38 million out of a total of 56 million, were due to NCDs. This challenge is represented in SDG 3.4, "By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being". (United Nations, 2016 (2))

The incidence and impact of NCDs and their risk factors fall heavily on low- and middle-income countries with 82% of the world's premature deaths resulting from NCDs, including over 75% from cardiovascular disease and diabetes and nearly 90% from chronic respiratory illness. Overall, age-specific NCD death rates

in these countries are almost double the rates of high-income countries.

The impact of NCDs on poor and vulnerable households cannot be captured by only looking at death rates. Many NCDs are chronic illnesses that impose heavy costs, often leading to patients' families accumulating burdensome debts, and undermining patients' ability to work productively for many years. This frequently forces vulnerable households into acute poverty. One study found that in India, one out of four families with a cardiovascular disease patient incurs catastrophic expenditures, driving 10% into poverty. The NCD crisis is thus very much a poverty crisis as well, and unless the continued rapid growth in NCDs is reversed, it will pose a great challenge to poverty reduction.

The WHO, leading the UN efforts to contain NCDs, has noted that the burden of NCD death and disease is heavily concentrated in the world's poorest countries. The incidence and impact of NCDs rise as economies urbanize, because urban life exposes poor people to pollution, less fresh food sources and lifestyles with less exercise in comparison with their traditional rural lives.

For China, NCDs are also an extremely important health concern. Since 1990 deaths from communicable diseases in China have decreased by 73.0% and NCDs have now become by far the leading cause of death among the Chinese population, accounting for 86.6% of total deaths in 2013. Mortality from NCDs in China in 2012 was 533 per 100,000, higher than the global average. (Xiao-Lei Zhu, 2017) The Chinese population displays the same unhealthy lifestyle behaviours, such as tobacco use, alcohol use, inadequate exercise, and unhealthy diet, that are among the lead causes of the global NCD crisis, although in recent years Government policy to encourage healthier behaviour has had some impact. There are roughly 300 million cigarette smokers in China, with a smoking prevalence of 28.1% among all people above 15 years of age in 2010. (Xiao-Lei Zhu, 2017)

The WHO monitors and reports annually on progress toward SDG 3.4. WHO's central policy recommendations for LICs and MICs are contained in what are referred to as "best buys" for NCD prevention and control. These are cost-effective and high impact measures that governments under tight budget constraints can employ. Although some of these should be included in national level policies, others can be implemented at the local level, as part of a local health campaign.

Case Study 3.6.8: WHO “Best Buys” in the Effort to Contain NCDs (WHO, 2014)

[Theme: Health]

1. Tobacco
 - a) Reduce affordability of tobacco products by increasing tobacco excise taxes;
 - b) Legally enforce completely smoke-free environments in all indoor workplaces, public places and public transport;
 - c) Warn people of the dangers of tobacco and tobacco smoke through effective health warnings and mass media campaigns;
 - d) Ban all forms of tobacco advertising, promotion and sponsorship.
2. Harmful use of alcohol
 - a) Regulate commercial and public availability of alcohol;
 - b) Restrict or ban alcohol advertising and promotions;
 - c) Use pricing policies such as excise tax increases on alcoholic beverages.
3. Diet and physical activity
 - a) Reduce salt intake;
 - b) Replace trans fats with unsaturated fats;
 - c) Implement public awareness programmes on diet and physical activity;
 - d) Promote and protect breastfeeding.
4. Cardiovascular disease and diabetes
 - a) Introduce drug therapy and counselling to individuals who have had a heart attack or stroke or who are at high risk of one in the next 10 years;
 - b) Provide aspirin for acute myocardial infection.
5. Cancer
 - a) Provide hepatitis B immunisation to prevent liver cancer;
 - b) Conduct screening linked with timely treatment of pre-cancerous lesions to prevent cervical cancer.

Several examples of international experience in implementing these practices have been included in this section, all taken from the WHO's 2014 Global NCD Report. (WHO, 2014)

Case Study 3.6.9: Health-system (WHO, 2014) Strengthening to Improve NCD Outcomes: Bahrain, the West Bank and Gaza Strip, and the Philippines

[Theme: Health, Community-based approach]

Bahrain's Ministry of Health has taken steps to improve NCD services through a primary health-care approach. In line with the WHO PEN (22) (WHO, 2010) protocol, regarding interventions for cardiovascular disease, diabetes mellitus, chronic obstructive lung disease and cancer, primary care clinics have been strengthened to address these NCDs. The clinics are run by teams consisting of a certified family physician, a trained NCD nurse and a health educator. Clinics cover a wide range of activities, including assessment of risk factors, early detection and management of NCDs and complications, and provision of counselling on diet, physical activity, weight control, smoking cessation and self-care. This approach has improved the coverage of key NCD interventions and increased patient satisfaction in service provision.

The Ministry of Health of the Palestinian Authority adopted WHO's PEN (22) protocol, in an attempt to move away from a vertical approach. The programme was piloted in two districts in the West Bank and Gaza Strip, and its activities included a register review, clinical audit and staff satisfaction surveys, and the use of routine service data to engage staff in analysing trends and quality of performance. Results indicate that on-site training, backed with regular structured supervision and clinical audits, are key elements in improving the quality of care and promoting a sense of accountability.

In Pateros, Metro Manila, Philippines, key activities to introduce the PEN (22) protocol have been implemented, including a baseline assessment of capacity, consultations with stakeholders, procurement of essential technologies and medicines, training of health care providers and computerisation of the health information system. Cardiovascular risk assessment has been integrated with other public health programmes. The referral system has been strengthened by involving referral doctors during training and through the drafting of a referral protocol.

Well-publicised NCD information days were organised by community health volunteers to improve community awareness of the availability of services and to promote compliance.

Case Study 3.6.10: Expansion of Access to Primary Health Care in Brazil (WHO, 2014)

[Theme: Health]

The positive progress of Brazil's NCD prevention and control is largely attributable to political commitment, a focus on social determinants of health, implementation of a comprehensive national health system with strong social participation, and expansion of access to primary health care. Age-adjusted NCD mortality has been falling by 1.8% per year, with declines primarily in cardiovascular and chronic respiratory disease. The prevalence of diabetes, hypertension and obesity, however, is rising, owing to unfavourable changes in diet and physical activity. Brazil's strong push to provide access to health care for vulnerable groups, as part of a move towards universal access, has yielded impressive results in overall NCD rates.

Three of the leading causes of NCDs are unhealthy diets, excessive alcohol use and tobacco use. Government policies are being introduced in some countries and regions to discourage these behaviours in an attempt to reduce NCDs.

Case Study 3.6.11 A regulatory approach to reduce unhealthy food and beverages in the Pacific Islands and Kiribati (Senthilingam, 2015)

[Theme: Health, Nutrition and food security, Children]

Nine of the world's ten countries with the highest obesity rates are in the Pacific Islands, where as many as 95% of the population are obese. (Senthilingam, 2015) This is a major public health crisis which has a severe impact on life expectancy and earning capacity. To reduce the availability of products containing high levels of salt and fat, the Kiribati Ministry of Health and Medical Services has included a maximum level of sodium and fat in selected processed food items in its draft Food Regulations and Standards. The maximum levels of salt and fat are derived from the "Salt Targets in Pacific Foods" that were agreed and mandated by

the meeting of Pacific Ministers of Health in 2013, supported by WHO, to help address the NCD crisis in the Pacific. The draft Food Regulations and Standards also include restrictions on the marketing of food and non-alcoholic beverages to children, as well as restrictions on the promotion of breast-milk substitutes and baby-feeding accessories.

Case Study 3.6.12: Mongolia: Working with Civil Society to Reduce Harmful Alcohol Use (Senthilingam, 2015)

[Theme: Health, Cross-departmental coordination, Private sector involvement]

Excessive alcohol use, especially by men, is a leading cause of health problems in Mongolia, where male life expectancy is now 9.5 years shorter than female, an extraordinarily large gap. (Mongolian National Statistical Office, 2017) Reducing alcohol abuse is a major public health challenge, and the Government has recently taken steps to address it. Mongolia's revised law on alcohol prevention and control includes essential strategies for reducing alcohol-related harm, such as a total ban on alcohol advertising, a population density requirement for alcohol sales outlets, increased liability of businesses selling alcohol, and strengthened administrative and deterrence systems for infringements and violations. The law aims to bridge the gaps between regulation and implementation and to improve coordination of alcohol-related strategies and programmes, by strengthening cooperation between government and stakeholders. Mongolia set up a national network of 80 governmental and nongovernmental organisations, to increase public awareness, formulate policies and establish a legal environment to reduce the consequences of alcohol use and strengthen the implementation of the law.

Case Study 3.6.13: Reducing Tobacco Demand in Turkey (WHO, 2017)

[Theme: Health, Cross-departmental coordination, Private sector involvement]

Turkey has been a leading country in the reduction of tobacco prevalence. In 2012, the country increased the size of health-warning labels to cover 65% of the total surface area of each tobacco or cigarette packet. Tobacco taxes cover 80% of

the total retail price, and there is a total ban on tobacco advertising, promotion and sponsorship nationwide. The result of these concerted efforts has been a significant decrease (13.4% relative decline) in the smoking rates of a country that has a long tradition of tobacco use and high smoking prevalence. This progress is a sign of the Turkish Government's sustained political commitment to tobacco control, and is a example of how strong cooperation between government, WHO and other international health organisations, and civil society can be effective.

China has gone through a rapid epidemiological transition, and is now at the forefront of the global effort to reduce the impact of NCDs. In China, as elsewhere in the world, the impact of these diseases on poor households is greater than on any others. Health care systems that seek to reduce poverty and vulnerability must now pay more attention and devote greater budget resources to programmes that reduce the incidence and impact of NCDs.

3.6.6 Programmes to Promote Maternal and Child Health

Improving maternal and child health care services for poor populations has been one of the UN's highest global priorities for decades, and goals for the reduction of maternal and infant mortality rates have been core indicators in the MDGs and now in the SDGs. Access to sexual and reproductive health services and the realisation of reproductive rights contribute to poverty reduction at multiple points of impact. Complications during pregnancy and childbirth are a lead cause of poor health and death among women of childbearing age worldwide. Unsafe abortion and limited access to post-abortion care alone equates to nearly five million years of productive life lost each year, worldwide.

Improving population health and well-being, particularly for young women of reproductive age, improves the health of their children thereby setting in motion a positive cycle with better assurances of child health. For children, better health increases their ability to routinely attend and benefit from school, raising both their school performance and future earnings.

As noted earlier, Conditional Cash Transfers (CCTs) have contributed to improved health care delivery in many countries. In China, UNICEF is currently implementing the first large-scale CCT pilot programme, in cooperation with the

Ministry of Commerce (MOFCOM), aimed at promoting better health care for new mothers. The programme has had impressive results to date.

Case Study 3.6.14: CCT Programme to Promote Integrated Maternal and Child Health Care in Rural Areas in Gansu, Sichuan and Yunnan Provinces in China (UNICEF)

[Theme: Finance, Health, Cross-departmental coordination, Women, Children]

The UNICEF-MOFCOM Conditional Cash Transfers (CCT) programme was launched in 2013 with the objective of improving the well-being of the most disadvantaged children in China by tackling inequalities in access to essential health services and promoting health-enhancing behaviour.

The CCT programme was launched alongside a UNICEF Integrated Maternal and Child Health (IMCH) Programme and the UNICEF Maternal and Child Health Communications for Development (C4D) Programme, in cooperation with the Ministry of Health. The IMCH and C4D programmes operate in 15 rural counties in three provinces in China: Gansu, Sichuan, and Yunnan. The goal of the IMCH programme is to strengthen health systems and improve the quality of care, while the goal of the C4D programme is to improve health knowledge and promote healthy behaviours amongst caregivers.

The CCT complements the IMCH and C4D programmes by helping remove the financial barriers to service utilisation faced by disadvantaged families in poor isolated areas, thereby increasing their access to and use of MCH services. Specifically, it provides a series of payments to expectant mothers or new mothers with children up to one year of age, which is conditional upon the completion of a series of health-related actions. These are: hospital delivery, prenatal and postnatal health check-ups for mothers; birth certification, health check-ups and immunisation per schedule for children; and early initiation of breastfeeding and exclusive breastfeeding until six months of age.

The CCT programme is currently in its pilot phase, and operates in 14 of the 15 counties where the IMCH is in operation, plus one non-IMCH county. As of 20 June 2017, 18,287 pregnant women and children under one year of age had

enrolled in the CCT pilot. The pilot will determine whether CCTs lead to higher rates of utilisation of the services being improved under the IMCH programme and promoted by the C4D programme.

Data from China's MCH Annual Reporting System covering 2012-2015, indicate promising preliminary results, with increased rates in ante-natal care coverage (10%), hospital delivery (19%), postpartum home visits (9%), and new-born home visits (15%) in the counties where the CCT and IMCH/C4D programmes operate.

A 2017 mid-year review included a survey carried out amongst 720 mother-child pairs in three counties, one in each participating province. Some townships participated in both the IMCH/C4D and CCT projects, and others only participated in the IMCH/C4D project. The review revealed that, of the three, the CCT had made the most significant contribution to achieving the programme outcomes. This result suggests that using CCTs together with government effort to improve the quality of health services can positively impact the health of new-born children in poor areas and contribute to ending the inter-generational transmission of poverty.

UNICEF and MOFCOM are currently discussing the design of the second phase of the CCT pilot, based on the areas for improvement identified by the quantitative review study, an accompanying qualitative review study, and community consultations.

A further target area for improving the well-being and health of young women of reproductive age pertains to family planning, in particular providing information and access to contraception, which enables women to balance their reproductive and productive goals, and improves the overall well-being of the women, their children and their families.

The United Nations Population Fund (UNFPA) has been leading much of the UN's work on reproductive health.

Case Study 3. 6. 15: UNFPA programmes on reproductive health in Africa and Central Asia (UNFPA China)

[Theme: Health, Social protection, Women]

In 2016, UNFPA supported a programme to enhance the reproductive health and family planning service skills of 835 service providers from the 8 Lake, Western and Zanzibar regions of Tanzania – all areas with low contraceptive prevalence rates. These service providers introduced 800,000 women to the use of contraceptives, thereby averting 940,000 unintended pregnancies, 280,000 unsafe abortions and 3,000 maternal deaths.

In the same year UNFPA launched a campaign in Chad to combat maternal mortality, prevent HIV and promote family planning. Implemented in the Lake Chad Region the project included the involvement of traditional, religious and political authorities and community, media, civil society and youth associations. The campaign educated more than 4,500 women in the use of contraceptives and skilled personnel delivered 940 babies. UNFPA also facilitated South-South exchange by facilitating the visit of the Association of Preaching Women in Bangladesh and the Higher Council of Islamic Affairs to Chad which helped break down religious barriers enabling the project to reach more than 4,000 Muslim women.

In Kazakhstan, UNFPA provided support for the introduction and implementation of effective perinatal care services and of maternal mortality auditing, which involved amending policy, training academia and service providers and modifying existing practices. As a result, maternal mortality dropped from 17.4 per 100,000 live births in 2011 to 12.5 per 100,000 live births in 2015.

In Turkmenistan, in 2016, the Government assumed financial responsibility for 75% of the supply of contraceptives, as UNFPA phased out its assistance programmes. With policy advice from UNFPA, the Government leads the “total market approach” in supplying reproductive health products. This means working with multiple sectors – including the government sector and commercial suppliers – to ensure that all people can choose, obtain and use quality contraceptives whenever they need them. The support resulted in a 23% increase in the total number of years of protection in 2016 in comparison with 2015, which has a

direct impact on averting unsafe abortions and maternal deaths.

3.6.7 Health Care for Adolescents and Youth (UNFPA (a))

Investing in the health and well-being of the world's 1.2 billion adolescents (aged 10-19) is vital to achieving the global Sustainable Development Agenda, and should be a priority for national and international policy makers. Investments to transform health, education, family and legal systems will help improve the physical, cognitive, social, and emotional capabilities of this group. More specifically, improving the reproductive health of all young people, a key focus of UNFPA's work, will enable them to remain longer in school and join the formal workforce prior to starting family life. This will generate a triple dividend reducing death and disability in adolescents today, promoting health and productivity across their life-course and, because this is the next generation to parent, providing the best possible start to life for the generation to come.

Careful UNFPA studies have demonstrated that, in low-and middle-income countries, investments in adolescents provide high economic and social returns, and are among the best investments that governments can make. Improving the physical, mental and sexual health of adolescents aged 10-19 years, at the cost of USD 4.6 per person per year, could bring a 10-fold economic benefit by averting 12 million adolescent deaths and preventing more than 30 million unwanted pregnancies in adolescents.

In particular, reaching girls early with reproductive health information and services provides value for money as this prevents poor outcomes that would be more costly in later years. Girls who can choose when and with whom to have sex are less likely to become pregnant at an early age or to contract STIs (including HIV). Such girls will be in a better position to experience a healthy and productive adulthood and by implication, the girls, their families, and their communities will all be better-off in the future.

Case Study 3.6.16: UNFPA's Action for Adolescent Girls (UNFPA (b))

[Theme: Health, Women, Children, Adolescents]

Since 2014, UNFPA's initiative, Action for Adolescent Girls, has been

providing focused capacity development, technical assistance and financial resources to countries in Asia, Africa and Latin America with a view to jump-starting girl-centred programming. The programmes provide a more focused and integrated approach to counter child marriage and adolescent pregnancy. A major component of the programmes includes the creation of safe spaces and community platforms through which girls can expand their social networks, their access to female mentors/role models, local resources and health services (including for sexual and reproductive health) and gain life skills and access to non-formal education.

In Guatemala, coordinated efforts between government ministries, partners and civil society are reducing adolescent pregnancies, improving access to health and education, and protecting girls from sexual abuse. UNFPA's Opening Opportunities programme brings safe spaces, life-skills training and other services to girls in rural and indigenous communities, while also providing support for the Government's new National Youth Policy, the establishment of a National Youth Cabinet, and the launch of PLANEA, a national plan on preventing adolescent pregnancy.

In Thailand, the adolescent birth rate increased from 31 per 1,000 to 53 per 1,000 between 2000-2013, becoming an increasingly serious social problem. In 2013, the National Economic and Social Development Board, supported by UNFPA, launched the State of Thailand Population Report which introduced policy recommendations to address the situation and the overall challenge of adolescent pregnancy. Adolescent pregnancy was included as a national priority in the 12th National Economic and Social Development Plan, 2017-2021 and, in July 2016 the Government instituted the Act for the Prevention and Solution of the Adolescent Pregnancy Problem. The Act is implemented by the National Committee, which is chaired by the Prime Minister, and focuses on improving the collaborative efforts of line ministries to protect the rights of adolescents. UNFPA continues to support the Government in its endeavours, and also the adolescents by helping them monitor the progress of the Act, ensuring it meets their needs. UNFPA also continues its focus on the most vulnerable youth, by providing better access to youth friendly services and to comprehensive sexuality education.

3.7 Improving Nutrition

The issue of malnutrition has become a global challenge, creating a huge social and economic toll and closely linked to the problem of poverty. Millions of children die each year due to malnutrition; furthermore, malnutrition also hinders a child's growth and development, reduces school attendance, and greatly increases their risk of becoming impoverished adults which leads further to the inter-generational continuity of malnutrition. Malnutrition costs as much as USD 1.4-2.1 trillion in global GDP each year. (Gillespie, Hodge, Yosef, & Pandya-Lorch, 2016) In 2015, the goal of "eliminating malnutrition in all its forms"^③ was included in UN SDG 2 and demanded that the world consider all aspects of malnutrition in order to achieve the goal before 2030. Of the 17 SDGs, at least 12 include indicators that are highly relevant to nutrition, reflecting the central role of nutrition in sustainable development. Improving nutrition is a prerequisite for progress in health, education, employment, empowerment of women, and poverty and inequality reduction. Equally, poverty and inequality, drinking water, sanitation and hygiene, education, food systems, climate change, social security and agriculture all have important implications on the status of nutrition. (Sathyamala, 2017)

In the past, the principal policy tool for food security in many countries was food subsidies, which was reflected by the issuance of staple food, food stamps and food allowances. This traditional subsidy policy was based on the assumption that the poor only need cheap food, and that allowing them to meet a daily caloric intake target through the consumption of any type of food was the key policy goal. However, the effect of such a policy on the nutritional status and health of the poor has not been obvious. The main reasons are as follows:

First, in terms of cash-based food subsidies, the poor may not necessarily eat more or better as their disposable incomes increase, since they face too many other pressures and desires. While they are suffering from hunger, food is the most important commodity and thus their increased income is spent on that. Once they

^③ Malnutrition is mainly reflected in undernutrition, micronutrients deficiency, and overweight and obesity.

stop being hungry, they turn to other goods and services which provide enjoyment and enrich their lives. India is a typical example of this. Over the past 25 years India's economy has developed rapidly, with its income level soaring. However, each of the income groups now eat less. Deaton and Dreze (2009) believe that the reason may lie in the reduced amount of energy the human body needs as a result of the popularisation of agricultural mechanisation, social development and changes in the division of labour and the way people work, hence the reduced consumption of food.

Banerjee and Duflo (2011) have a different viewpoint. They argue that the economies of countries such as India and Mexico are prosperous and consumer goods are plentiful and cheap; food consumption, however, is very low. In countries like Papua New Guinea, the poor have access to fewer goods but their food consumption is higher. Indeed, in Sub-Saharan Africa, one of the poorest regions in the world, the proportion of children who suffer from stunting and weight loss is actually half that of India.

Second, when the poor spend their subsidies only on food, they tend to buy better tasting but more expensive food, rather than choosing high-energy, essential micronutrients. Such behaviour is contrary to the intention of the policy, which is to improve nutrition.

Third, culture and traditions affect food consumption decisions, therefore guidance and improvements in food consumption behaviour cannot be dictated through the provision of subsidies. Human beings are generally sceptical towards proposals related to behavioural changes. They have their favourite food and diet, and changing habits can be costly or even risky. With no visible short-term benefit, it is even harder for people to change their food consumption decisions.

In the past decade, many international organisations and governments have re-thought the traditional food subsidy policy, and launched a series of nutrition-oriented policies and interventions. In 2016, the International Food Policy Research Institute (IFPRI, 2016) published "Nourishing Millions", a collection of policy measures and interventions to improve the nutritional status of the poor and vulnerable populations worldwide. In the same year, the Global Nutrition Report 2016 by IFPRI emphasised the importance of joint engagement by UN agencies,

national and local governments, NGOs and enterprises.

This section summarises the practices and experiences of nutrition improvement based on the documented examples from these two publications and from other sources, such as relevant UN agencies. Based on the review and summary of these international experiences, the section also examines the features of current pro-poor nutrition improvement policies and measures.

First, the importance of nutrition is highlighted. A consensus has emerged that the nutritional problems of the poor are related to the quality rather than the quantity of their food, especially food variety and the sufficiency of micronutrients. Many nutrition programmes target nutrient deficiency in populations, such as the “Sprinkles” nutritional supplement for children with anaemia in Mongolia, and the orange and sweet potato bio-enhancement project related to vitamin A deficiency in Uganda and Mozambique.

Second, engagement by and coordination among multiple fields and sectors is emphasised, especially the important role of agriculture, health and social security in improving nutrition. In the agricultural sector, the FAO has actively advocated “Nutrition-sensitive Agriculture” for the whole food system, typical practices of which include biofortification and farm food production. In the health sector, the well-known Water, Sanitation and Hygiene (WASH) project manifests that safe water and sound sanitary facilities can provide the fundamental guarantee for the health of the population living in poor areas by reducing diseases caused by unclean drinking water and food. In the social protection sector, the CCT programmes aimed at improving nutrition have also been successful in Mexico and Bangladesh. Such an innovative means looks beyond welfare itself and seeks to address problems from the perspective of human development.

Third, targeted nutrition interventions have been designed for different populations, among which the effects on pregnant women, infants and students are most notable. The most important “window phase” for human development is with 0-3 year olds, and balanced nutrition and scientific nurturing in this phase can significantly impact an infant’s mental and physical development and thus her future potential. Infants do not have the ability to choose their own food, so intervention is easy to implement. Nutritional interventions for students are mainly administered

through school feeding programmes, which not only help improve the food consumption of the student group but also facilitate the spread of “nutrition education” to students, so that they form a good nutrition concept and food consumption habits that will benefit them during their lifetime. Some school feeding programmes fully integrate and utilise local agricultural resources, thus boosting the local economy and providing additional potential beneficial effects on poor households.

Fourth, many multi-phase nutrition programmes now include community visits, nutrition guidance and sharing of nutrition-related behavioural changes in the later phases of the programme. These measures can significantly increase the programmes’ nutrition improvement effects. Thus interventions now frequently integrate “sustainable behavioural changes” into the original “material incentives”, by building people’s awareness of the cost-effectiveness of nutrition improvement and other long-term benefits of interventions.

3.7.1 Core practices for Improving Food Security and Nutrition

Nutritional interventions are the most direct and targeted way to address malnutrition. However, there are many other widespread methods for improving nutrition through implementing nutrition-related measures in nutrition-sensitive sectors such as agriculture, health and in social security bodies whose work is linked to nutrition issues.

3.7.1.1 Nutrition-specific Interventions

Some causes of malnutrition are attributed to individuals, such as inferior feeding or food consumption behaviour due to a lack of knowledge on nutrition. Nutrition-specific interventions generally target specific groups or individuals and typical measures include improving feeding for infants and young children, the provision of nutritious food at schools and education on nutrition. Targeted and thoroughly implemented nutrition-specific interventions play a significant role in reducing stunted growth and diseases caused by micronutrient deficiencies.

Nutrition plays a very important role in determining the growth of infants and young children, as both malnutrition and over-nutrition have an adverse effect. In recent years, nutrition-specific interventions have focused on the most critical first

1,000 days of new-borns (prenatal to two years of age), a period identified as a window in which to prevent childhood illness and death and ensure the adequate development of children. If a child's nutritional needs are not met during this phase, the potential for later nutrition interventions targeting catch-up growth is more limited. Therefore, improving infant and young child feeding is the key to ensuring the survival and healthy development of young children. (Gillespie et al., 2016)

WHO and UNICEF make outstanding contributions to advocating and promoting breastfeeding worldwide. In 1990, WHO and UNICEF jointly issued the Declaration on the Protection, Promotion and Support of Breastfeeding, recommending that all countries establish national breastfeeding committees to safeguard the rights and interests of working women in breastfeeding through national legislation and to implement the International Code of Marketing of Breastmilk Substitutes. (WHO/UNICEF, 1990) In 2002, WHO and UNICEF issued the Global Strategy for Infant and Young Child Feeding to highlight the importance of community-based promotion of breastfeeding. The Strategy has raised global awareness about the impact of infant and young child feeding on the survival, growth and development of infants and young children.

Specific measures to improve infant and young child feeding include the promotion of breastfeeding and complementary feeding. Breastfeeding is recommended as the only source of food and hydration from birth to six months of age, while food supplements are added after six months and breastfeeding continues until the baby reaches two years of age. (WHO, 2016a) Studies have shown that global promotion of proper breastfeeding will prevent the deaths of an estimated 823,000 children and of 20,000 mothers due to breast cancer. (Victora et al., 2016) Furthermore, the current low breastfeeding rate among infants aged below six months worldwide causes a loss in total global GDP of USD 302 billion, accounting for 0.5% of total global gross national income. (Rollins et al., 2016) Similarly, inadequate complementary foods (such as poor quality food, unclean food, unsanitary food) are most likely to cause malnutrition, growth retardation, dysentery, micronutrient deficiencies, cognitive retardation and even increased death in infants and young children. (WHO, 2016b)

The key to successful breastfeeding promotion lies in a country's ability to create an environment conducive to breastfeeding, such as marketing restrictions on formula milk and the provision of infant-friendly breastfeeding facilities and guidance, and help by community health and wellness staff. Equally, educational interventions combining individuals and groups have achieved significant results in raising the rate of breastfeeding. However, legislation will need to be introduced in many countries to ensure the rights and interests of perinatal mothers are met and that the appropriate conditions are available for mothers to be able to breastfeed. Currently, only half of the countries in the world provide maternity leave of 14 weeks or more and in Africa and Asia, tens of thousands of women are engaged in informal work and their childbearing rights are non-existent.

In 2009-2014, the “Alive & Thrive” multi-participant project aimed at improving infant and young child feeding in Bangladesh, Ethiopia and Vietnam achieved remarkable results in three countries with completely different environments. In Bangladesh, project advocacy, community mobilisation and the mass media brought about rapid improvements in breastfeeding and complementary feeding. From 2010 to 2014, the proportion of infants under six months old being breastfed exclusively rose from 49% to 86%, while the proportion of children with complementary feeding and breastmilk diets increased by 30%. In Vietnam, the programme introduced an innovative social franchise model providing infant and young child nutrition counselling services which was successfully integrated into the health system and, as a result, breastfeeding tripled. The impact of the programme in Ethiopia was not as pronounced, as it related to the local food security level. In order to improve its effectiveness, the frequency and quality of communication and consultation with mothers and family members was improved during the second phase of the project (2014-2017), with a view to sustainably changing infant and young child feeding practices among family members.

3.7.1.2 School Feeding

Students are in the prime of physical and intellectual development, and are also the most at risk of nutritional deficiency. As such, schools provide the perfect venue for nutrition-specific interventions where school canteens can conveniently provide centralised rich, varied nutritious diets to avoid nutritional deficiencies.

While nearly 90 countries have implemented school feeding programmes, the characteristics, practices, and effects vary in accordance with the level and type of implementation, funding and participation.

In EU countries, the United States, Japan and Russia the provision of nutritious meals for students is regulated through legislation. Some developing countries such as Brazil, Thailand, the Philippines, Sri Lanka, Kenya, Mexico and Costa Rica introduced national policies on children's nutrition, providing the legal basis for the provision of nutritional meals for students. Japan introduced the School Lunch Law in 1954 which continues to direct schools to provide school lunches and strengthen the facilities and personnel engaged in school feeding, while also prescribing that national and local public bodies should promote the concept of school lunch programmes. The feeding programmes are funded by the Government, schools and parents of participating students. In 1998, the rate of implementing school lunch at primary schools in Japan had reached 99.4% (7.61 million students) and at middle school 82.2% (3.6 million students), making it one of the countries with the highest rate of nutrition meal provision in the world. (Zhang Fan, Zhang Qian , Hu Xiaoqi, & Ma Guansheng, 2013)

Any nutritional meal plan for students features a large target group, big capital investment, and the involvement of numerous government bodies. As the plan is large-scale and long-term, its normal operation is impossible without guaranteed financial backing and a strong administrative execution force. It is beyond the scope of social groups and individuals and can only be effectively managed at state level. However, society also has an important role to play. One of the characteristics of the successful operation of the student nutritional meal programme in the US is the clear division of labour. The Government is responsible for overall management and monitoring and evaluation, while the schools and society facilitate the implementation of the programme. The Food and Nutrition Service of the US Department of Agriculture is responsible for the lunch programme in primary and secondary schools and provides guidance on finance and nutrition, while each state's department of education is responsible for the actual implementation of its programme. Additionally, the Department of Health is responsible for food security inspections, nutrition monitoring and assessment. (Hirschman & Chriqui, 2013) Social groups are active participants in the programmes, such as the American

School Food Service Association (ASFSA) which has 65,000 members, most of whom are nutrition meal management and technical staff, members of catering companies and government members at all levels. The ASFSA covers 98% of the nation's student nutrition business by providing more than 26 million lunches and over 3 million breakfasts to students, accounting for half of the total number of students.

In El Salvador, the student nutrition meal programme, originally supported by the World Food Programme, is now managed by the Government to ensure sustainability. The Ministry of Education has established a special project management department specifically responsible for the programme and has made huge investments in providing training for project officials, teachers and parents. (Zhang Fan, et al., 2013)

If school feeding programmes rely entirely on centralised management, problems of poor timeliness, poor communication and coordination will inevitably be encountered. Using local resources according to local conditions not only provides students with fresh ingredients, but also improves the local economy to some extent. Thailand encourages schools to make full use of local resources and food and provides funding for this purpose, resulting in almost 90% of schools purchasing fresh vegetables, meat and related supplies from local producers.

Many schools cooperate with local agricultural colleges and enterprises to supplement their school “lunch” funds and most of these schools have exceeded government subsidy standards and increased the proportion of students who enjoy free lunch, thus alleviating the burden on families with students. (Zhang Fan, et al., 2013)

In Brazil's school feeding programme, the PNAE (see Case Study 5.1 for more detailed description), the operational modalities were changed to improve food distribution, as the initial unified food management and distribution mechanism resulted in a serious problem of food security and much of the food had spoiled by the time it arrived at the schools. After 1979, food supply companies began distributing food directly to schools, eliminating the need for storage by the state. At the same time, local governments, schools, manufacturers, marketers, parents and students were encouraged to participate in determining the children's diet. (Sidaner, Balaban, & Burlandy, 2013) The PNAE now provides meals that respect

local dietary habits and which account for at least 20% of nutritional needs. It cements the link between schools and local farmers and legislation guarantees that at least 30% of the programme funds are used for procurement from these sources. (Drake, Woolnough, Burbano, & Bundy, 2016)

3.7.1.3 Nutritional Supplements

To reduce nutrient deficiencies, some programmes have introduced nutritional supplements which can be mixed into the daily diet. There are currently two common types of micronutrient supplements, one enriched with five trace elements for anaemia and the other enriched with 15 trace elements for nutritional balance. (Bahl, Toro, Qureshi, & Shaw, 2013) The most classic example of micronutrient use is that of the micronutrient supplement “Sprinkles”, inspired by a ketchup package enriched with vitamins and minerals, which can effectively reduce anaemia and iron deficiency in children under the age of two. (De-Regil, et al., 2013) The success of “Sprinkles” is due to the fact that they are easy to use, with no learning or preparation required, and their use can therefore be effectively promoted.

Case Study 3.7.1: The Promotion of “Sprinkles” in Mongolia (Asian Development Bank, 2011) (World Vision Mongolia, 2005)

[Theme: Health, Nutrition and food security, Cross-departmental coordination, Women, Children]

Mongolia was the first country to experiment with “Sprinkles”, but its successful country-wide promotion was not achieved overnight. The pilot project was initially implemented in 2002-2004 with the support of the Ministry of Health in Mongolia and in cooperation with World Vision International. During the first phase of the project, over 88% of children aged 6 to 36 months in the pilot area were given supplements resulting in the prevalence of anaemia dropping from 55% in 2002 to 33% in 2004. In the second phase, interventions were intensified in Selenge in north-eastern Mongolia. Awareness raising activities were organised through leaflet distribution and television educational segments, and volunteer community mothers’ groups were mobilised to supervise the use of the supplement. The results were again convincing with, between 2005 and 2010, the prevalence of malnutrition decreasing from 62% to 25%, the prevalence of anaemia among children dropping from 26% to 22%, and the level of growth

retardation falling from 26% to 9%.

The success of these intervention projects convinced the Mongolian Government that the “Sprinkles” supplement was an effective tool for combating child anaemia. In 2009, the Ministry of Health launched the third project phase and implemented a national health plan for 50,000 children aged 6-24 months in selected provinces, based on levels of poverty, health indicators and geographical location. The Asian Development Bank, World Vision International and UNICEF provided ongoing technical and financial support.

Any intervention of this size must be backed by working groups on micronutrients at the national, provincial and local levels. The capacity of existing systems and programmes must also be enhanced and the programme activities must be managed alongside public health-care systems and integrated into current maternal and child health plans. The Mongolian “Sprinkles” initiative demonstrates that this scope of expansion is viable.

3.7.1.4 Nutrition Education

Nutrition education is a planned activity to achieve the goal of improving nutritional status by changing people’s dietary behaviours. Nutrition education helps to raise awareness of food and nutrition and thus develops healthy dietary habits. Nutrition education targets the general public or a variety of groups, including students, pregnant women and farmers in poor areas. Nutrition education is also provided in a variety of ways. Common approaches include school-based, community-based or country-specific dietary guidelines that are publicised and promoted by the media.

Nutrition education is most effective when produced early in life and “diet education” for students can lead them to understand nutrition concepts and food consumption habits that will benefit their lifelong development. Ecuador’s 2009-2012 school-based health promotion intervention “ACTIVITAL”, covering 1,430 adolescents aged 11-15 in 20 schools, is a successful demonstration of this. The project included changing personal behaviour, which was encouraged through the use of interactive manuals to teach students how to receive a healthy diet and participate in physical activity, and changing the environment, through which parents and food service staff participated in workshops discussing healthy eating,

sports, food servings and food security. The implementation of the project has significantly reduced the intake of unhealthy snacks among students, has beneficially reduced their weight and blood pressure, and has increased vegetable and fruit intake and physical activity. (Andrade et al., 2014)

3.7.1.5 Community Nutrition Programming

The focus on community nutrition originates from experimentation and experience in the 1980s. The Iringa Nutrition Programme in Tanzania and the Tamil Nadu programme in southern India are considered particularly influential in the formulation and development of community nutrition programmes.

The joint UNICEF/WHO supported nutrition programme in Iringa began implementation in 1984 and emphasised social mobilisation, local problem assessment and action plans, and interventions tailored to nutrition and food security at the community level. Community workers monitored children's developmental status, identified and assessed malnourished families, and analysed possible causes with their families, following which a plan of action was developed with local government bodies. During its implementation, the programme succeeded in reducing the proportion of children with severe acute malnutrition from 6.3% to 1.8%, while the number of moderately malnourished people also halved. Although the Iringa programme was not continued in Tanzania, it remains a useful example.

India's Integrated Child Development Services (ICDS) programme uses health, nutrition and education interventions to provide services for adolescent girls, pregnant and lactating women and children aged six months to six years through a network of safety centres (AWCs), with a view to addressing the health and nutritional needs of these children. The Tamil Nadu Integrated Nutrition Project (TINP), launched in 1980 simultaneously with ICDS, has a more pronounced impact on children than the national programme. From 1980 to 1989, the prevalence of underweight children in the regions participating in the programme declined about 1.5% annually, double the rate of non-participating regions. TINP-2 was launched in 318 out of 385 rural areas in Tamil Nadu in 1991 to address the issue of severe acute malnutrition. The prevalence of moderately undernourished children dropped following the improvement of preventive measures. Based on the lessons learned from TINP-1, TINP-2 focused on

strengthening local capabilities, mobilising communities and interpersonal relationships to improve home care and feeding for children aged under two years to prevent malnutrition.

These examples reveal the important factors that contribute to the success of community nutrition programmes, including community settings, nutrition programme development, project selection and the process of managing and implementing these programmes. As of 2012, 95% of countries had developed national guidelines and programmes for acute malnutrition and 60 countries have now implemented community-based programmes to manage acute malnutrition. Moving from centralised hospitalisation for severe acute malnutrition to a community-based model is arguably one of the most important paradigm shifts in public health nutrition over the past decade.

3.7.1.6 Agriculture and Nutrition Improvement

As a source of food and livelihoods, and with many poor families around the world consuming and selling the food they grow, the agricultural sector is the clearest link to the food industry and nutrition. This sector also employs the majority of rural poor who could use their income to buy more nutritious and diversified foods or to invest in education, health or water and sanitation, all of which are critical for improving nutrition. (Gillespie, et al., 2016) Moreover, the food industry can also effectively reduce the incidence of malnutrition, especially micronutrient deficiencies. The practices in which agriculture and food industries can participate to improve nutrition are: biofortification, homestead food production and the addition of trace elements.

Biofortification addresses the problem of nutrient deficiency in some countries and regions resulting from the limited varieties of food supply and lack of access to diverse foods caused by poverty. Plant scientists incorporate micronutrients into the seeds of the main crop the poor usually consume, so they can obtain the rich nutrients they need by eating the same food (usually staple food). Uganda and Mozambique have had huge success with biofortification. In Uganda, the consumption of vitamin A was boosted after the farmers planted vitamin A-enriched sweet potatoes, and thus met the vitamin A needs of the children. (Hotz et al., 2012) In Mozambique, biofortification led to a reduction of 11.4% in dystonia among children under five years of age, and a reduction of 10%

in the duration of diarrhoea. Orange sweet potatoes have reduced vitamin A deficiency in children by 15%. (Jones & de Brauw, 2015)

The first step to promoting biofortification is to advocate the need for these products among policy makers, consumers and researchers. The second step is to establish nationally dedicated pipeline systems or private seed companies, or both, through national agricultural research for high yield and high profit biofortified crops. Finally, food subsidies can be given priority for biofortified foods. For vitamin A (orange) crops, consumers need to be informed of the colour change through government programmes and private sector publicity. As for iron and zinc crops, the best strategy is to acquire as much of the total supply as possible by incorporating high iron and zinc traits into the varieties that have the highest yields for farmers and are the least affected by the climate.

Homestead food production is a strategy that combines kitchen gardens and livestock husbandry, while providing information to help people adopt better practices in agriculture, health, nutrition and hygiene. It also offers women more control and decision-making powers on resources in their homes. For households in poverty-stricken regions, especially low-income households, the level of food consumption, especially the consumption of animal foods, can be effectively improved through rich planting and breeding practices. The importance of family farming and breeding to food consumption and nutrition has also been corroborated in studies. (Ruel, Alderman, & Group, 2013) To reduce the number of children with night blindness, due to a lack of vitamin A, Helen Keller International (HKI) promoted the “Homestead Food Production (HFP)” project for 1,000 farmers in Bangladesh in 1990. The project increased the consumption of vegetables and fruit for children and women and improved their nutritional status by encouraging women to grow fruit and leafy vegetables rich in vitamin A in their kitchen gardens and offering education on nutrition. An evaluation revealed that the percentage of school-age children with night blindness from households without vegetable planting was significantly higher than that of children from households with vegetable planting. (Ahmed, 1999) The HFP project has been gradually upgraded from home planting to small-scale family farming, with a view to increasing the consumption of animal foods and reducing the incidence of iron and zinc deficiency. As of 2003, the project had benefited 870,000 farmers in

Bangladesh. In recent years, the Enhanced Homestead Food Production (E-HFP) project has been launched in Burkina Faso targeting women and children 0-3 years of age. It emphasises education and communication on women's health, nutrition and hygiene as it relates to agriculture, on the basis of traditional homestead food production, while empowering women and enhancing women's decision-making at home. The E-HFP has significantly improved the nutritional status of women, infants and young children. Inspired by this success story, similar projects have been carried out in other countries.

Case Study 3.7.2: Nutritional Component of Mexico's Progresa Programme (Lárraga, 2016)

[Theme: Finance, Education/Training, Health, Social protection, Cross-departmental coordination, Children]

Mexico's Progresa programme, described in detail earlier in this Chapter, is a comprehensive poverty reduction programme aimed at helping parents to invest in their children, in order to improve health, nutrition and education for the poorest households in the country and break the inter-generational transmission of poverty. The programme achieves this by addressing household financial resources and food security, maternal and child health and education, child feeding practices and under-nutrition in pregnant women and children.

Specific nutritional interventions under Progresa include conditional cash transfers for mothers, as studies show that a higher proportion of investment flows to children's health and nutrition when resources are provided to mothers rather than fathers. The programme aims to increase nutritional quality and diversity for children by providing food supplements and cash transfers to increase the family's ability to buy more nutritious foods such as meat, eggs, dairy products, fruit and vegetables. A 2001 evaluation confirmed that the Programme had a significant positive impact on the nutritional status of children, even those who had only received supplementary food for one year. The results showed an increase of one-sixth in the average annual growth rate of children between 12 months and 36 months of age.

Case Study 3.7.3: The Transfer Modality Research Initiative in Bangladesh (IFPRI, 2016)

[Theme: Cross-departmental coordination, Women, Children]

The Transfer Modality Research Initiative (TMRI) conducted by the International Food Policy Research Institute and the World Food Programme investigated how various forms of social protection interventions can effectively improve incomes, food security and the nutrition status of women and children. Under this initiative, 4,000 women and their 21,600 family members in the north-western and southern regions of Bangladesh can receive up to five types of social protection benefit: cash transfers only, food aid only, 50% food and 50% cash transfers, cash transfers and communication on changes in nutrition behaviour, and food transfer and communication on changes in nutrition behaviour. Communication on changes in nutrition behaviour includes transmitting information to households on the importance of nutrition and dietary diversity for health, hand washing and hygiene, as well as diversified dietary practices based on micronutrients, infants and child feeding and maternal nutrition. Preliminary results presented in 2015 revealed that the provision of these benefits resulted in improvement in almost all consumption measures (the quality of expenditure on calorie intake and diet). The results also showed that social protection tends to be most effective in improving nutritional status when combined with communication on changes in nutritional behaviour.

3.7.2 Nutrition and Food Security: Conclusions

China has significantly reduced the proportion of hungry people in the country, and through this has made an outstanding global contribution. However, China still ranks second in the world in the number of undernourished people, and a large population with micronutrient deficiencies (hidden hunger) still exists. Most live in deprived areas and are concentrated in disadvantaged groups such as children, women and the elderly. To incorporate the goal of nutrition into the country's development agenda, China formulated the Outline of the Programme for Food and Nutrition Development in China, covering the period 2014–2020. However, nutrition has not been given sufficient attention in the country, nor has the improvement of nutrition been

regarded as a key part of the strategic agenda or an integral part of poverty reduction efforts. Gaps in awareness, policy and actions remain.

The success of measures such as those discussed here are irrefutable indicators of the importance of nutrition, and its value must be acknowledged by the international community and by governments in particular. Governments need to recognise that nutrition investments are a means of promoting economic growth rather than a result of economic growth. Investing in the elimination of malnutrition is one of the most cost-effective measures that can be taken to reduce poverty: investing USD 1 in effective nutrition programmes yields USD 16 in economic benefits (Sathyamala, 2017), thus governments should prioritise the issue of nutrition. Thanks to the joint efforts by the governments and other organisations and individuals, Brazil, Peru, Ghana and India have all witnessed a significant reduction in malnutrition. Eliminating malnutrition is a political decision that government leaders, donors, civil societies and international, national and local businesses must make.

Thailand's approach to reducing poverty in the 1970s is similar to China's. In the 1960s and early 1970s, Thailand's national development plan focused primarily on expanding agricultural areas to increase output rather than tackling nutritional challenges. However, a survey by the Thai Health Ministry in 1960 showed that 57% of pregnant women in the country were anaemic, 23% lacked vitamin B1, 47% lacked vitamin B2, and 29% of school-age children had goiter. A nutrition programme focusing on the production and consumption of protein-rich foods was piloted in the poorest part of the country, but nutrition was still not considered a major development issue in national planning. In the late 1970s, there was an increase in nutrition awareness, and experts recognised the need to tackle and prevent under-nutrition through multi-sectoral efforts. Thailand's Fourth Economic and Social Development Plan (1977-1981) included the country's first food and nutrition programme, which mentioned the provision of health services and programmes to address key nutritional issues. Interventions targeted pregnant women and children, especially girls under five and economically disadvantaged groups. In 1982 in the succeeding national plan, malnutrition was not only considered a development issue but also a sign of poverty. In order to improve nutrition and promote development, Thailand

introduced a Poverty Alleviation Programme (PAP). The PAP targeted 288 districts and counties in the 38 poorest provinces, accounting for half of the country's poorest districts and counties. A National Nutrition Council comprising membership from the health, agriculture, education, rural administration, and planning sectors and also academia was formed to support the inclusion of the PAP into nutrition indicators and actions.

Cross-sector political commitment to nutrition at the national level must be complemented by planning and implementation at the provincial, district and local community levels. Countries like China must ensure that local governments understand the nutritional status of local residents and can thus identify local goals. The nutritional goals of sub-national administrations need to be clearly defined so that the responsibility for implementing nutrition programmes can be decentralised. In this way civil society can raise concerns for the most vulnerable groups, external donors can develop targeted interventions and businesses can explore local-level opportunities. However, setting goals at the local level requires strong governance and leadership and transparency at all levels of government to ensure that progress is monitored and the required results achieved.

3.7.2.1 Cross-sector and Multi-stakeholder Coordination

Nutrition is a complicated issue, which requires cross-sector and multi-stakeholder engagement, thus the political decisions taken must be adopted by different sectors. Additional resources will need to be allocated in the areas of agriculture, education, food systems, the health system, social security and drinking water, sanitation and hygiene if all forms of malnutrition are to be eliminated. The UNICEF Conceptual Framework in 1990 set the stage for all stakeholders to better understand their respective roles in tackling malnutrition at multiple levels and across multiple sectors. The Framework was not initially confined to any one sector but focused on malnourished children, revealing the causes of malnutrition and how these key factors have had an influence at different levels. Faced with such a complex challenge, an effective governance system must be established which follows the principles of transparency, equality and accountability, and mobilises wide engagement by multiple stakeholders in all sectors in order to make progress.

The Brazilian Government adopted such a model, with its cross-sector

approach to reducing poverty, inequality and food insecurity, and the goal of redistributing income and universal access to education, care and health services. Brazil has made significant strides in several areas related to nutrition improvement: prenatal education, maternal and child health care, the purchasing power of the poor, water supply and sanitation services. In addition to smallholder credit and procurement of agricultural inputs, minimum wages and cash transfers have also been introduced and public services nationwide have been improved. These multi-sectoral approaches go beyond implementing policies and programmes in education, health, agriculture, social development and the financial sector. A cross-sector approach was also adopted to promote coordination at the local level. For example, to ensure that the conditions of cash transfer are met under the government's Bolsa CCT programme, the Ministry of Health and Ministry of Education must share data and coordinate their actions with the Ministry of Social Welfare and Security to manage projects. In turn, the Ministry of Social Welfare and Security, which allocates funds to food supply companies purchasing from local producers, must work with the Ministry of Agriculture and the Ministry of Education.

3.7.2.2 The Benefits of Working with Communities and Local Resources

From the promotion of nutrition preparations and breastfeeding to the supply of school nutritious meals, it is obvious that the participation of communities and the full utilisation of local resources can greatly improve the effects of nutrition programmes. Communities play a prominent role in information dissemination, sustaining behavioural changes and expanding the coverage of beneficiaries. Furthermore, projects designed with community engagement can help solve specific local problems and improve the accuracy of project design.

In addition, project monitoring data at the community level can provide valuable information for provincial and national policy making. For example, in Thailand the Government trains village volunteers, of which over 80% are women, to provide primary care and to communicate important nutrition-related information. One person out of every 10 households reaches out to the most vulnerable members of the community. By 1989, Thailand had trained more than 500,000 volunteers, covering most of the country's rural areas. Thailand also

conducted community-based surveys on minimum living requirements to identify priority areas such as adequate food and nutrition, safety and security, basic health care and education, effective food production and community involvement. The community itself then identifies a set of actions to solve the local problems. Under this system, coverage has so far increased from about 1 million to 2.6 million children. The central government guarantees support for these community programmes, including job creation and services for agricultural production. The data collected at the local level in this programme is integrated into the monitoring efforts at the regional, provincial and ministerial levels, and nutrition goals are highlighted so that policy makers and communities are aware of their role in development.

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Chapter Four: Focus on Three Core SDG Poverty Challenges: Gender Inequality, Urban Poverty and Environmental Poverty

4.1 Gender and Poverty

SDG 5 sets specific targets for “achieving gender equality and empowering all women and girls”. However, the gender equality concept runs throughout the remaining 16 goals, and is a key dimension of SDG 1, the poverty elimination target. As UN Secretary-General António Guterres has stated, “The richness, the welfare, the prosperity of countries depend on the full integration of women into the development process.” (United Nations, 2017) There is now a global consensus that the SDG poverty reduction target itself cannot be met without policies and programmes that thoughtfully address the specific obstacles that poor women face as they seek to assert their rights to decent livelihoods.

Gender inequalities are both a cause and an effect of poverty. Studies have found that in developing countries, the higher the gender equality, the more likely it is that the rates of poverty will be low. (Morrison, Raju and Sinha, 2007) The Human Development Report 1997 released by the United Nations Development Programme (UNDP) states that there is a systematic relationship between gender inequality as measured by the Gender Development Index (GDI) and human poverty as measured by the Human Poverty Index (HPI), and that the bottom four countries in the GDI ranking list had a low HPI ranking, while the top four countries in the HPI ranking also rank top in terms of GDI. (Cagatay, 1997)

A recent World Bank report noted that poor women in developing countries

are hit by a “double whammy”. Gender inequality measures are worse in developing countries than in higher income countries, and within developing countries it is the poorest women who face the greatest inequality. (World Bank, 2015a)

Gender equality refers not only to the equality of outcomes between men and women, but also to equality in the factors that determine these outcomes, namely equality of opportunity, resources, rights and expressions of appeal. (World Bank, 2001) At present, women still face many inequalities in these areas and narrowing the gender gap here will generate enormous economic benefits and help improve the well-being of residents and reduce poverty. For example, in terms of employment, gender disparity is one of the most serious challenges facing the global labour market. In 2017, female labour participation was slightly above 49%, 27% less than that of men, among which the lowest rates occur in Arab countries, North Africa and South Asia. Even if women have access to the labour market, they still have less chance of finding a job than men, and the jobs they do find tend to be lower paid and lower productivity ones. The World Bank’s 2012 World Development Report “Gender Equality and Development” (World Bank, 2012) noted that “women and men tend to work in very different parts of the economic space”, with women more likely than men to be in wage or unpaid family employment and in the informal sector. Average female remuneration is still 23% below that of men. (UN Women, 2017) Moreover, since women are required to devote a larger portion of their time and energy to housekeeping and caregiving than men, they undertake a large amount of unpaid work, which is difficult to translate into income in the absence of widespread recognition of the economic value of such work. In the context of “time constraints”, women also face more trade-offs and choice dilemmas. In general, women have less time available for paid work than men, thus they receive lower remuneration. This increases the uncertainties in women’s lives, making them particularly vulnerable to poverty in the face of crisis. In turn, the availability of work, especially paid work, can be a buffer against the impacts of risk.

When women are entrepreneurs they tend to manage smaller businesses that work in relatively unprofitable sectors, compared to men. The phenomenon of gender segregation in employment is widespread; women tend to be concentrated

in “female” occupations and sectors. (World Bank, 2012)

Gender perspectives are now integrated into virtually all global development work. Experience has shown that programmes that do not specifically target poor women often exclude poor women, because women’s rights to participation, to livelihoods, asset ownership and access to government services are not always recognised. UN projects are designed under a guiding framework for gender equality, and are implemented using “gender markers” to track expenditures made to advance or contribute to achieving gender equality and the empowerment of women.

Women’s difficulty in obtaining access to economic resources is one of the drivers of women’s poverty. In many countries, women continue to be economically dependent on their partners. Fewer women than men have their own cash income from labour as a result of the unequal division of paid and unpaid work. Gender divisions of labour also exist within and beyond the home. In many developing countries, statutory and customary laws continue to restrict women’s access to land and other assets, who, meanwhile, have little to no control over their household economic resources. In nearly a third of developing countries, laws do not guarantee the same inheritance rights for women and men.

Women generally experience different forms of inequality across their lifecycle, leaving them either economically poor or time poor, or both. Women generally lack participation in decision-making at the household, organisational and community levels. This is caused by not only the unequal power relations between men and women at home and in society, but also women’s lack of time for participation in communal and social affairs. On average, women do three times as much unpaid care and domestic work as men. Combined with paid work, this leaves women and girls working longer hours with less time for rest, self-care, learning and other activities, such as political and social participation. Women are therefore time poor as well as income poor. The large opportunity costs that women incur by engaging in multiple labour tasks, many of which are unpaid or underpaid, are the income, skills enhancement and professional advancement they could obtain by engaging in activities with higher returns that could possibly enable them to exit poverty.

Gender disparities in poverty are more visible with the increasing diversification of family arrangements, including an increase in one-person households and one-parent families. (United Nations, 2015) Working-age women in developed and developing countries are more likely to be poorer than men when they have dependent children and no partners to contribute to the household income or when their own income is non-existent or too low to support the entire family. As they age, women in developed countries are more likely than men to be poor, particularly when living in one-person households. The link between family arrangements and poverty reflects not only how women are prone to poverty as they age, but also why gender, population patterns and poverty should be analysed together to bring about meaningful discussions. As China's economy continues to grow, and as the population ages and urbanises, these trends are likely to continue to intensify here as well.

Given that women tend to experience more forms of deprivation than men in many aspects, it is important that multi-dimensional poverty should also be measured from a gender perspective. This is the case, for example, with political participation, empowerment and the experience of violence. It is hardly surprising that these dimensions of deprivation are not gender neutral: in terms of political participation, although the proportion of women in national parliaments globally has increased from 13.2% to 23.4% between 2000 and 2017, only slightly more than one-fourth (39%) of countries have used some form of quota system to increase women's representation in politics. (UN Women, 2017) In terms of violence, 47% of female homicide victims are intentionally killed by an intimate partner or family member, whereas this is true for only 6% of the male homicide victims. (UN Women, 2017)

This Chapter will focus on the best practices of the United Nations in raising women's voices and enhancing the capacities of women, and some insights on how China's poverty reduction can be gained by drawing on international experience and including gender perspectives.

4.1.1 Raising Voices for Women

In most areas, women are less likely to become employers, workers or members of farmers' organisations due to social norms, culture, education and

family burdens, and their negotiation capability is limited. This situation greatly limits the ability of women to express their opinions within the family and reduces the likelihood of their involvement in organisation and decision-making, making it easy to underestimate the contribution of women to the family and to society. (ILO, 2017d) Available studies show that the inability of women to participate in decision-making will reduce their equal access to resources such as health, education, economic resources, land and new technologies. (OECD 2010; Kabeer and Natali 2013; Jones 2009; Cerise et al. 2013; World Bank, 2013) To address this, UN agencies have implemented various interventions to help women participate in the decision-making process of families, organisations, communities and countries thereby enhancing their influence. At the household level, positive changes have been made in family relationships and work distribution by raising family members' awareness of the distribution of resources within the family. At the organisation level, women's cooperatives have been established to integrate women into industrial value chains and enhance their decision-making power and voice by strengthening their market participation capabilities. At the community level, by developing female competitive industries and supporting women's economic activities, women become more active and influential within the community and are given a role in regional development and in the decision-making on project implementation. At the national level, the more seats women have in the legislatures, the more they can promote the development of policies conducive to the development of women, contributing to the female community and the region.

At the household level, experience has shown that there are inconsistencies and inequalities in the allocation of resources, the effect of benefits on the individual household members, ability to express demands and in setting goals for the family. Although they bear the heavy burden of work and life, women often lack voice on important issues at home, means of consumption and their own health care. Household Methodologies, developed and improved jointly by IFAD and its partners, shifts the focus from "material" (such as properties, resources and infrastructure) to "people" (who they are, what they do, etc.). Trainers, team coordinators and family members work together to draft a family plan that identifies the constraints and key opportunities for family development and develops a plan of action to improve the family situation. This approach has been piloted in Malawi, Nigeria, Rwanda, Sierra Leone and Uganda, producing notable

changes for poor families.

Case Study 4.1.1: Rehabilitation and Community-based Poverty Reduction Project (RCPRP) in Sierra Leone (IFAD Result Series Issue 2, 2017)

[Themes: Women, Community-based approach]

In 2003, IFAD launched the Rehabilitation and Community-based Poverty Reduction Project (RCPRP) in Sierra Leone, which was then redesigned and expanded in 2010. This project aims to improve the livelihoods of rural poor families affected by the civil war in Sierra Leone and to support medium and long-term community rehabilitation and sustainable economic development. An important feature of the project is the focus on inter-family relationships to ensure that women and men benefit equally. The Gender Action Learning System (GALS) is used to teach and direct farmers to use simple tools, thus driving a positive change in the family and working relationship between men and women. The training includes how to develop family financial planning and to improve food safety, how to negotiate and handle workloads, and how decision-making works. This system has made people aware of the gender inequalities that exist in families, farmer organisations, communities and local institutions and continues to enhance women's abilities to make major life choices. Through study, the distribution of power within the family has changed, and the distribution of workload and income has become fairer among men and women. At the same time, the system has also facilitated communication among family members, with data showing that violence against women has been reduced or eliminated. Increased awareness has also led to families increasingly supporting and defending women's voices in community meetings.

At the organisation level, although women are less likely to become members of cooperatives than men, statistics show that the number of female members in cooperatives is increasing. (ILO, 2014) After participating in cooperatives, women have increased their negotiation abilities, productivity and sales, and have increased their decision-making. For instance, in a fruit trees productivity project, implemented by the United Nations Office for Project Services (UNOPS) in Morocco, necessary training and technical assistance was provided for women to participate in the value chain development of almond, olive and fig production.

Despite the fact that the project was located in an area with traditional culture, the participation of women was still high, with some 1,800 women receiving training. Meanwhile, the project vigorously promoted the founding of cooperatives to increase farmers' productivity and market status and further promote knowledge-sharing. A total of 242 cooperatives were established, of which 69 were women's cooperatives.

Case Study 4.1.2: Morocco Fruit Tree Productivity Project Enhancing Women's Market Status and Capacity

[Themes: Agriculture, Women]

In Morocco's TC-5A project, a group of young women from the Atlatah, Azul Province came up with the idea of establishing a cooperative after attending fruit tree management training. The project provided learning, organisational and legal help and support for the establishment of cooperatives and guided them in the bidding process for a financing pilot project funded by the Millennium Challenge Corporation. Through a competitive process, one cooperative was selected to receive funding for constructing fruit processing plants and purchasing equipment for fruit tree management, harvest and transportation. The cooperative has organised around 100 activities, such as training, on-site seminars and visits, which cover tree management techniques (pruning, soil management, fertilisation, phytosanitary treatments and harvest), strategic management and fruit processing, marketing and trade. Whether it is a newly formed cooperative or a cooperative transformed by the association, these cooperatives are all integrated into other Economic Interest Group's economic groups (EIGs) with other local professional organisations to jointly control the production, processing and marketing of the fruit tree value chain. The project helps women gain more resources and enhances their ability to participate in production and marketing activities by inviting them to participate in demonstration activities and supporting them in establishing EIGs.

At the community level, women's engagement in local affairs or community leadership can bring about tremendous changes in women's social and local development. A study by UN Women in India shows that the number of drinking water projects in female-led areas is 62% more than in male-led areas. In Gambia, IFAD has helped women become leaders. Fatou Danso was the country's first

female village chiefs and her appointment changed the income of women and their way of life in the village. Before she became head of the village, women were responsible for raising their families, while the right to farming belonged only to men. Fatou divided four hectares of land into small pieces and invited women to join this “garden” project. At weekly meetings, women make donations to safeguard their rights to cultivate land. In addition, the community-led approach to development not only helps to explore female competitive activities within the community and improves women’s incomes, but also facilitates women’s participation in community affairs, making their opinions on issues of concern fully heard.

In ethnic minority areas in China, women play a unique role in inheriting and continuing ethnic craftsmanship traditions. UNDP has implemented several projects in pilot communities to develop local handicraft associations in order to enhance their skills in business management and marketing, increase public awareness of the cultural heritage of ethnic minorities, and improve the sense of national identity and pride in traditional culture among local residents, thereby enriching their livelihood activities, promoting exchanges and strengthening national unity among different ethnic groups. In Yunnan alone, from 2012 to 2016 one UNDP project directly benefited 7,200 people in six pilot villages, 90% of whom were women. These successful projects have had a positive impact, helping residents in Yunnan, Guizhou and Guangxi Zhuang Autonomous Region increase their incomes and escape from poverty.

Case Study 4.1.3: Innovative Forest Management in Nepal (Burnet, 2013)

[Themes: Agriculture, Environment, Community-based approach, Women]

Twenty-two areas in the central mountainous region of Nepal have jointly implemented a leasing project that combines forestry and livestock husbandry. The project, with technical assistance from the FAO and financed by the Finnish Government, aims to improve the living conditions of poor rural households in remote mountainous areas at the foot of the Himalayas, through a combination of forest protection and livestock production. In this project, local young women are hired as organisers of user groups, helping establish user groups for forestry leasing. Every five to ten households in each user group are appointed to manage

the forest plots, develop an operation plan, and assign the plots to group members. Women have been trained to enforce the implementation of the plans and provide technical advice on cultivation, management of feed and other non-wood forest products. At the same time, women play an important role in livestock raising. Once the leased land and farms produce enough feed for livestock, members of the user groups can receive livestock such as goats, as well as training for building animal sheds. Combining livestock production with leasing forestry areas can therefore encourage women to participate in the production system and increase their incomes. The project has created a total of 4,101 user groups involving more than 40,000 households. More than one-third of the community members are women, 16% of the households are female-headed, and women account for over 80% of key decision-making positions. When groups of users are united to form cooperatives, women are given more marketing opportunities and services, which also helps to increase their bargaining power and influence within communities.

At the national level women face many obstacles in their engagement in politics. On the one hand, discriminatory laws and institutions restrict women's participation; on the other, women are not qualified for leadership positions because they are denied equal education, work and resources. According to UN Women, as of January 2012, only 17% of government ministers were women, most of whom were in social sectors such as education and health; as of July 2013, 20.9% of parliamentarians were women, showing a slow growth compared to 11.6% in 1995. In most cases, government employment or income plans tend to favour men, which increases the existing income gap. Parliaments play a unique role in enacting laws and ensuring that gender discrimination is eliminated. The more women legislators in the legislature, the more likely it is that pro-women policies will be developed and gender equality promoted. (Stockemer, 2014) Rwanda's National Congress is 63.8% occupied by women, ranking it first in the world. In 2003, the Rwandan Constitution stated that the number of women in government agencies and administrative agencies at all levels must meet certain levels, and in the "decision-making body" of governments, the ratio of women must be no less than 30%. In 2008, with the strong institutional support of women's parliamentary seats, transitional government and civil society for women, the Gender-based Violence Bill eventually became law, explicitly prohibiting domestic violence, including marital rape, thus providing important protection for the rights of women and

children. (Burnet, 2013)

4.1.2 Enhance Women's Capacity Building

According to the traditional division of labour, women are often in charge of domestic work and caring for children and the elderly. In poor areas, girls become involved in housework from a very young age, which has a direct impact on their education and skills development, thereby reducing their chances of finding a decent job. Moreover, poor infrastructure and technology often extend the working hours of women in domestic work, limiting the potential for income-generating activities and access to the outside world. In addition, women are disadvantaged in accessing productive resources such as land, technology and financial services, and rural women are more vulnerable to unemployment than urban women. (Lazarte, 2017) To address these issues, the United Nations agencies have designed and begun implementation of several types of intervention programmes to provide women with training opportunities to enhance their income-generating capacity. Some programmes target protecting women's health and combating violence against women, to provide the necessary physical security for women to participate in capacity building activities. Many rural development projects focus on providing opportunities to the female workforce, to ensure that they benefit equitably from the project's activities. Other programmes focus on securing women's land rights and access to innovative financial services, while others encourage women to start micro-enterprises in competitive industries in which they have competitive advantages so that women can generate their own income.

Protecting women's health and combating violence against women provides the physical security they need to enable them to further develop their capacities. Improving the health and well-being of young women of childbearing age can, at the same time, help establish an early child protection system. Appropriate and effective contraception can help young women balance childbearing and work. Complications during pregnancy and childbirth are the main factors threatening the health of young women worldwide, with nearly five million women dying of unsafe abortions and poor post-abortion care each year. (Singh, 2006) Despite a declining trend globally, the maternal mortality rate remains high in poor areas. In 2015, about 303,000 women in impoverished areas died during pregnancy or childbirth.

Promoting gender equality as a long-term priority goal (Branisa, 2013) is a key prerequisite for the success of the 2030 Agenda. (Ward, 2010) Women face various inequalities throughout their lives. In some countries, girls do not receive effective health care and therefore suffer from a high mortality rate. Early marriages have deprived girls of education, and thus the improvement of skills and access to job opportunities. Violence against women, a main outcome of gender inequality, not only has serious consequences for women's physical and mental health but also greatly limits their freedom to act, go out to work and make use of economic and educational opportunities, which has negative impacts on families, communities and countries.

It is estimated that 35% of women across the world suffer from violence, including physical violence and sexual violence by both intimate and non-intimate partners. (UN Women) Vulnerable and dangerous environments make women living in poverty more likely to be victims of violence. In its fight against gender-based violence, UNFPA has taken a series of actions together with governments and agencies. One such activity is to conduct a Big Data analysis to help nations measure violence against women. For instance, studies show that 15% to 68% of women in the Asia-Pacific region have experienced violence including sexual violence, usually from their intimate partner. A further activity was the provision of medical and psychosocial treatment for survivors of gender-based violence and rape, along with organising their participation in income-generating activities. For example, in the eastern and northern parts of Cameroon, 334 survivors of gender-based violence have received comprehensive services. Activities related to eliminating gender-based violence by raising the awareness of men of this issue have also been implemented. In Bolivia, programmes have been carried out to raise the awareness of young community leaders on gender-based violence, including leaders of marginalised indigenous communities; these also encourage youth to participate in community actions against gender-based violence.

Case Study 4.1.4: Female Reproductive Health Services and Reproductive Rights

[Themes: Health, Targeting, Women]

The UNFPA has always been concerned about female reproductive health and

rights. Working with governments, UNFPA has launched a series of measures and has achieved positive results in reducing poverty, such as providing professional training for midwives and strengthening the domestic production of safe and modern contraceptives. It is estimated that UNFPA provided contraceptives to 20.9 million people in 2016, preventing 29,000 maternal deaths and saving USD 716 million in health care costs. Globally, the risk of maternal death is projected to decline by 58% if family planning needs are fully met. The provision of family planning and reproductive health services by integrated health-care workers, such as midwives, can reduce pregnancy-related deaths and the incidence of acute and chronic reproductive diseases, thus improving women's lifelong health and productivity. In simple terms, for each additional dollar of contraceptive service, the cost of nursing related to pregnancy and new-borns will be reduced by USD 1.5. (Guttmacher Institute and UNFPA, 2014) Improved reproductive health can increase women's educational opportunities and increase their socio-economic participation. (Byrne et al., 2012) Women can redistribute their time and money and gradually shift their focus from childbearing to production, which can promote economic growth.

Improving infrastructure, equipment and technology frees women from time-consuming domestic work and provides them with time to enhance their abilities. Whether in developed, developing or emerging countries, women spend most of their time in free labour, left with only a little time for paid work. Women also have less leisure time than men. (Chant, 2010) In developed countries, more than 50% of poor women spend less than 35 hours a week in paid work, while more than 25% spend less than 20 hours earning income. Integrated rural development projects have improved transport, clean water and cooking tools in rural areas, which has provided more leisure time for women for creative activities. In Peru, rural road projects have increased women's income by 14%, girls' school enrolment by 7% and health centre visits by women and children by 55%. (World Bank, 2000) A study on the impact of a household electricity project in South Africa (Dinkelman, 2011), found that using electricity to cook during the five-year project period relieved the women from the burden of preparing fuelwood, thus increasing the employment of women by 13.5%. In Nicaragua, the use of electricity increased rural women's willingness to work outside the home by 23%. (Grogan and Sadanand, 2012) In Morocco, an IFAD-funded agricultural development project built and improved local rural roads and brought huge benefits to villagers. The

women and girls that no longer have to spend time carrying water now have additional time to grow medicinal plants and make and sell embroidery crafts to improve the financial conditions of their families. In China, under the influence of both pro-poor projects and national economic growth, some poor farmers can afford to purchase time and energy-saving assets such as washing machines. The use of home appliances has greatly reduced the amount of time women spend on housework, allowing them to focus more on income generation and family activities.

Increasing the availability of economic resources for women enables them to further develop their capacities. Land is the most important productive resource for farmers and an important family asset that can be transferred and inherited. Credit services are widely recognised as an important tool for improving the short-term and long-term economic well-being of farmers. However, women often do not have equal access to land and credit services. That is why the two issues have drawn wide public concern.

Research shows that only 10.7% of women in Asia own land, while the global average is 20% and in Africa it is 18.6%. Therefore, the UNDP's work in Asia attaches great importance to land rights for women. In July 2014, a forum was held under the theme of land rights, which drew many researchers and social activists from 17 countries. These participants jointly called for stronger regional cooperation and the elimination of social and cultural barriers to protect women's land rights and interests. From 2012-2016, also UNDP conducted studies on women's land rights in Vietnam and China.

Case Study 4.1.5: UNDP Studies of Women's Land Rights and Interests (Nhung Tuyet Tran, 2013)

[Themes: Agriculture, Women]

From 2012 to 2016, UNDP conducted feature studies on land rights and interests of women in Vietnam (Nhung Tuyet Tran, 2013) and China. Based on the analysis of the current status and problems, the reports proposed pertinent suggestions and interventions.

In Vietnam, there are six main obstacles to women's access to land: (i) Existing laws. Although the current law theoretically guarantees the equal access of men and

women to land, two features contradict this goal: one is that when family land is separated following a family death, the property distribution almost never takes gender equality into consideration; the other is that the law states that children not registered as family members have no right of inheritance. (ii) Lineage practices that favour male family members and frequently exclude females. (iii) Testamentary practices, by which many Vietnamese families do not prepare written wills and testaments, and when they do they often afford privileges to sons, while daughters inherit little or nothing. (iv) Role of mediation committees. The main objective of mediation committees is to maintain community stability. That is why they do not support women in their fight for land rights and interests. Instead, they persuade women to accept the status quo. (v) Access to legal services. Difficulties in language communication and in dealing with bureaucratic systems as well as low social status deny women adequate access to legal services. (vi) Local gender attitudes, which privilege the power and rights of males over females. Although communities have different views on women's roles, they generally tend to limit women's access to land. Local men and women agree that the concept of gender equality should not be imposed externally, as this not only fails to deliver but also disrupts community order, and that the best way to achieve it is the natural evolution of social norms. Therefore, in addition to specific recommendations addressing each of the above obstacles, the study underlines that any intervention must include a wide range of educational programmes to inform both men and women of land rights and viable tools.

Under the current law and policy framework in China, the protection of land rights and interests of rural women has been given widespread attention, and corresponding institutional and organisational mechanisms have been established to implement this goal. However, due to the existence of institutional conflicts and the lack of a gender perspective, this system has shown increasing problems and an inability to assume the task of protecting women's rights and interests. Specifically, there are three problems:

1. The current mechanism for protecting rural women's land rights and interests does not adapt to the country's robust social mobility;
2. The existing protection mechanism is based on the political-administrative allocation of land resources, which will be difficult to function under the

context of a market economy;

3. The existing mechanism seems gender-neutral but lacks a gender perspective and therefore easily violates the legitimate land rights and interests of rural women.

For instance, the distribution of family/household-owned contracted land, homesteads and land acquisition compensation goes against the protection of women's independence and legitimate land rights at the family level. Another example is that the land rights of married women are vague, which is also unfavourable to women. The study suggests that the principle of "letting the market play a decisive role in the allocation of resources" should be followed fully, with the goal of ensuring that the rights of women are respected, and that a new mechanism be established to protect the land rights and interests of rural women in all property registration and market transactions.

Access to credit services can help the rural poor manage their family cash flow, engage in new agricultural activities and start small businesses. When their incomes increase, and can be safely saved, the rural poor can afford education and health care and expand agricultural or business investment. The rural financial sector is no longer limited to credit services, it now includes savings, transfers and various insurance products. Inclusive rural financial services are particularly important for women who can improve their status within the family and community by managing their borrowings and financial expenditures while also bringing more positive influences on family food consumption and quality of life for their children.

There are different forms of small informal credit organisations around the world, including the rise of microfinance, which emerged in the 1970s when Bangladesh began implementing pilot projects to provide microcredit to poor women. The service mode of microfinance has been continuously innovated, and the empowerment of women has also increased. Currently, IFAD is one of the largest lending institutions for rural microfinance in rural areas in the world. In addition, it has continuously used innovative forms of financial services to promote the development of agriculture and rural areas. For instance, IFAD, the

Government of Bangladesh and the Palli Karma-Sahayak Foundation (PKSF) created a new approach to providing financial services to smallholders in the country, in which 84% of direct beneficiaries are women. With financial services, women have access to more land and their decision-making rights and ability to control income also increase.

Investigating female competitive industries and providing skills training encourages women to start micro-enterprises. Across the world, women make up 25% to 33% of the population in the Micro and Small Enterprises (SME) sector, 33% in manufacturing, and 70-80% in agriculture. In most developing countries, especially in Africa, the role of women in food production accounts for over 80%. (UNIDO) Despite their important contributions to socio-economic development, women suffer from various constraints that limit their potential. As a result, women's social status remains low and social integration is not high. In some countries and regions women's engagement in social activities is very limited and it is therefore necessary to actively communicate with local authorities to explore possibilities for women to become involved. Once women's participation is recognised, they must be encouraged to learn new skills and capitalise on business opportunities. For instance, UNOPS implemented the Rural Accessibility Improvement Project in Afghanistan to strengthen the abilities of women through exploring and creating income-generating possibilities, and expanding entrepreneurship.

Education and training play an important role in capacity building. In Iraq, for example, unemployment is a serious problem, with only 10% of young women aged 15-29 having formal jobs. Traditional socio-cultural factors and limited infrastructure have hindered the participation of girls and women in education and vocational training. Iraqi women are subject to social and economic exclusion in terms of family decision-making and community and political participation. To ameliorate this situation, the UNIDO joined with other agencies to establish a training institute to provide education and technical training to Iraqi women so that they can contribute to the post-war reconstruction of Iraq.

Case Study 4.1.6: Afghanistan Rural Accessibility Improvement Project (UNOPS, n.d.)

[Themes: Women, Education/Training]

The Afghanistan Rural Accessibility Improvement Project (RAIP) was implemented between December, 2007 and December, 2015. The project had three phases, was supported by the Swedish International Development Agency and implemented by UNOPS. Women's capacity building was a component of all the phases of the programme and had several different areas of focus. The programme rebuilt existing gravel roads, made winter and regular maintenance plans, and improved the building ability of local road construction workers, thus improving the transportation routes from villages to counties, towns and capital cities. A more extensive goal was to promote the smooth flow of goods, equipment, and personnel from capital cities to counties, towns, and villages, improve accessibility of social services and business activities, and reduce transportation time.

The first phase of the project focused on actively exploring opportunities to increase women's income, and on testing small business pilots. Afghan women are traditionally expected to stay at home and therefore the project team used various methods to help them participate in the programme; the results exceeded expectations. One success was with the supply of bread baked by women in the Samangan Province. With the help of the community's liaison officer, male members of the households permitted their wives to make and sell bread. Another example is a trial programme named "stone aggregate production", again implemented in Samangan Province. The project team invented a rocking, screen-topped box for road gravel. The men filled the box with gravel, the women then rocked the box until only oversize stones were left and the box was then refilled and the process repeated.

This kind of cooperation between men and women was popular and produced very high quality stones, which were mainly used to build blind ditches, retaining wall foundations, and road surfaces. A total of 52 women from Samangan Province participated in the stone production activity; 35% of the beneficiaries were widows, and 6% were single women. The pilot project overcame cultural barriers and

demonstrated how men and women could work together in public places. The two main reasons why women were permitted to participate in the production activities were that (i) people in the mountainous region were very poor, so they cherished any chance to make money; and (ii) the project personnel were able to invent a good working method to persuade the community elders, especially the local religious leaders. The management of the stone aggregate production was the responsibility of two women, who received training by project officials and who were responsible for the community's contract management. After the project had closed, women continued to participate in stone production to provide materials for building schools, clinics, and blind ditches. According to a benefit survey after the implementation of the project, all the interviewees said that their husbands or family members were not opposed to their participation. This small pilot project opened the eyes of women in this district to new possibilities for ways to earn their livelihood. (UNOPS, 2016)

The second phase of the project addressed specific topics, such as creating income-generating opportunities and supporting women's economic empowerment. The activities focused on helping women master skills for small businesses through training on steel gabion basket weaving, winter clothes production, stone production, and bakery operation, and also opened a market where women entrepreneurs could sell their products. By the time the project activities had finished, 438 women from four provinces had begun participation in different manufacturing skills and marketing, had created micro-enterprises, and were receiving their share of the total sales revenue they had earned. The project's success with the steel gabion basket weaving business enabled women to continue this activity, by selling their products to NGOs for flood prevention.

The final phase of the project focused on developing skills, training teams, and establishing enterprises. The activities of the first two phases of RAIP were continued into phase three, along with direct training and training of trainers for teams, which focused on skills such as poultry farming, candy producing, sewing, and embroidery; the project provided seed funding for these teams to set up enterprises. Leaders of women's groups who performed well were invited to participate in programme training to further improve their entrepreneurial skills. Training covered basic knowledge on production, sales, bookkeeping, and

management. It is anticipated that these well-trained leaders will become role models for other teams when the project ends. Furthermore, through its small business support activities the third phase of RAIP supported the establishment of a permanent village out of a former United Nations High Commissioner for Refugees Returnee Camp. Phase three of the project launched a new bakery programme, led by a woman named Shura and was comprised of 20 women. Shura is paid USD 5 dollars each day, while the other women earn their income from sales profits. The bakery produces 300-400 pieces of bread every day, earning USD 200-300 of profit every month. These women will continue to run the bakery after project support ends

Case Study 4.1.7: Iraq, Training for Women in Non-Traditional Sectors (UNIDO, 2013)

[Themes: Education/Training, Cross-departmental coordination, Women]

In order to help Iraqi youth find employment, a joint partnership with UNIDO, Scania (a Swedish heavy vehicle manufacturer), Swedish International Development Cooperation Agency, Education First and the Kurdistan Regional Government Ministry of Labour and Social Affairs, established the Swedish Academy for Training to provide educational and technical training, which was officially opened in April 2012. Located in Erbil, in the Kurdistan Region of Iraq, the Academy promotes youth employment by developing the skills of unemployed people under the age of 30; with 30% being the target participation ratio for female youth. The Academy offers computer training and English language courses and actively encourages young women to participate in technical and management training to lay the groundwork for job entry.

Promoting women's engagement in education and increasing employment opportunities play a crucial role in post-crisis recovery in Iraq and in the country's future economic and social advancement. By providing Iraqi women with opportunities to train and work in non-traditional sectors, the programme helps to empower women both socially and economically, thus making a positive contribution to the post-war reconstruction of Iraq.

By 2015, the UNIDO-Scania programme had achieved the following results:

(i) 38% of Iraqi nationals engaged in computer training and English language classes were women; (ii) some women completed all technical training courses offered; (iii) local Scania employees took advantage of the learning opportunities offered by the training workshops to increase their prospects of employment in Scania, specifically training courses not offered elsewhere; (iv) trainees who completed their training were assisted by Scania and local companies to find employment or internships; (v) stereotypes and discrimination towards women began shifting, leading to overall socio-cultural changes.

Another aspect of capacity building is to support women's innovation and entrepreneurship activities, and many agencies support projects in these focus areas. One example is the UNIDO Women Entrepreneurship Development Project (WED) in Pakistan (UNIDO, 2013b), which recognises that creating productive employment for women through productive work and income-generating activities presents the most effective way to reduce poverty and economically empower women. Limited funding, information and market access, and ineffective supply chain links, are among the major challenges women entrepreneurs currently face, which has put them in a disadvantageous bargaining position. The WED project therefore helps start-ups and existing businesses maximise profits by developing tools and methods of value-chain analytics, entrepreneurship and business development. It focuses on high value-added non-traditional industries, such as marble handicrafts, jewellery design, and home textiles. The project has applied innovative strategies, providing skills training for women and connecting them with these creative value chains. Through the project activities, 20 institutions were established to coordinate relationships between industries, investors and women entrepreneurs, and five million people have been able to access relevant business information through the media.

Due to the lack of modern, market-oriented designs, the Pakistan home textile industry still relies heavily on imports, which are priced much higher than domestic ones. Targeting the home textile industry, UNIDO-WED has improved women's technological and design skills and upgraded existing value chains so that they can produce high-quality goods for both domestic and foreign markets. This not only provides opportunities for women to engage in high value-added chains but also creates profitable opportunities for female entrepreneurs. One such lady, Tauseef

Batool, received wide recognition for her skills during the UNIDO-WED training, which boosted her self-confidence to the extent that she started her own company. As she expanded her business, she was awarded an export contract for 100,000 shirts for the Afghan market and is now a highly-respected member of her family and the community.

Another example is IFAD's Rural Enterprise Project (REP), which provides women with business development services and increases both incomes and employment in rural areas by increasing the number of micro- and small-scale enterprises. Since 2012, the REP project has created 14,876 new MSEs, of which 9,396 were set up women, 68% of whom were young women. The REP project effectively targets women, intentionally selecting activities traditionally carried out by women, and addresses the specific constraints women entrepreneurs face. As a result, women have more job opportunities, are able to earn higher incomes, can meet their family needs and can invest in their own businesses.

4.1.3 Gender and Poverty Reduction: Conclusions

The flagship report of UN Women, "Progress of the World's Women 2015-2016" (UN Women, 2015), pointed out that despite the rapid accumulation of wealth around the globe, women are still not sharing equitably in the benefits of economic growth. Real progress toward gender equality can be achieved only when changes are made in the current economic fabric, social customs, traditional culture and gender stereotypes. Creating a fairer and sustainable future not only benefits women but also society as a whole.

This section summarises the success stories and best practices of UN agencies in two major aspects of gender programming: voice and capacity building. These two aspects complement each other, as a stronger voice comes with enhanced capacity building and, in turn, further enhances capacity building. In terms of voice, emphasis is placed on comprehensive improvement at all levels from family, organisation and community to country. In terms of capacity building, all-round improvement is emphasised, including the mutually complementary areas of health, time-saving changes in women's lives, access to resources and support for specific revenue-generating activities. Based on these examples of promoting gender equality and empowerment of women, it can be concluded that there are essentially

two major gender-related gaps in reducing poverty in China.

First, the gap in understanding. In the cases presented here there is a strong and constant focus on gender equality and women in the design of poverty reduction projects, recognizing that poverty among female-headed households or women as individuals is closely linked to gender inequality. Therefore, poor women are regarded from the very beginning as one of the important target groups in project design, and the degree of benefit women receive is a fundamental indicator in project monitoring and evaluation. If discrimination and poverty are not effectively solved for women and girls, the international community will never be able to achieve the goal of poverty eradication and sustainable development.

In contrast, the design of poverty reduction projects in China is more targeted at the household and lacks a gender perspective, making it likely that the distribution of rights and benefits within the family and the special needs of women will be overlooked. An effort to reduce rural poverty must keep gender disparities in mind; gender inequality and urban-rural disparities are intertwined. Rural average income is generally lower than urban, but within rural areas it is generally lower for women than men. This results in a concentration of the lowest-income groups in society being found among rural women. Due to the lack of gender-specific statistics on poverty, no gender analysis currently exists on related issues in China.

Second, the gaps in policies and actions. Under the current legal and policy framework in China, the protection of land rights and interests of rural women have received widespread attention, and corresponding institutional and organisational mechanisms have been established to implement this goal. However, some institutions are unable to fulfill this role due to rapid social and economic changes that they have not been able to keep up with; some witness difficulties due to conflicts among agencies and vague assignment of rights, such as the land rights of married women; some have not yet been incorporated into the national development planning system. For example, due to defects in social security and public services, women are still primarily responsible for unpaid family work, which not only affects women's investment in their work and career choices but also negatively affects women's individual rights and voices. (Liu Bohong, Li Ling and

Yang Chunyu, 2014)

This leads to the following recommendations:

First, poverty reduction needs to highlight the gender perspective and awareness of gender equality and to follow the basic state policy on equality between men and women. Gender mainstreaming is a global strategy to promote gender equality as set forth by the Fourth UN World Conference on Women. It requires that gender issues be integrated into the socio-economic development framework and that poverty reduction strategies be no exception. China is one of the 49 countries that led the commitment to gender mainstreaming. In his address to the Global Summit for Women at the United Nations Headquarters in New York in September 2015, President Xi Jinping stressed that women should advance in step with economic and social development and that China would actively protect the rights and interests of women, build a harmonious and inclusive social culture, create a favourable international environment for women's development and mainstream gender awareness in decision-making.

When addressing poverty reduction, policy makers should consider both sustainability and inclusiveness by fully investigating the different impacts of policies on men and women and taking targeted measures to make women full beneficiaries of the programme. As a first step, this requires more attention to the collection, processing and monitoring of gender-specific data, to allow analysis of the different impacts of current and future poverty policies and programmes on women and men. This analysis should help policy-makers shape more inclusive and effective policies, that will address gender disparities in poverty and ensure that women and men have equal access to the benefits of economic and social development and in sharing family well-being. Education on gender equality and rights should be included in the mainstream of China's social and cultural efforts so they become an integral part the country's social consciousness. Effecting changes in social norms is a slow and evolutionary process, and successful education on gender equality should be rooted in respect for local culture and customs.

Second, poverty reduction for women needs to cover multiple dimensions and fields. Women's poverty is multi-dimensional. Therefore, poverty reduction for women needs to consider education and training, industrial development, health

care, public services facilities and all forms of social protection. Partnerships need to be established across the board among agencies and sectors to promote women's development and accelerate the economic empowerment of women by integrating the expertise and resources of different agencies. For example, women who perform housework and caregiving in addition to income-earning work inevitably face a huge workload and burden. Therefore, to alleviate the time dilemma issue from the female labour force, two problems must be addressed: (i) improvements must be made to the labour productivity of women in both work and household responsibilities through new technology and trainings; and (ii) public services and social security must be improved to relieve the women from the burden of caring for children and the elderly so that they can become more engaged in paid work.

Third, empowerment of women is an important way to reduce poverty, especially economic empowerment. According to Nobel Prize-winning economist, Amartya Sen, empowerment is a comprehensive manifestation of one's various abilities, and the improvement in abilities depends on many factors, including individual characteristics and social arrangements. Empowerment of women is not only an important aspect of realising women's power, but also an important symbol of a stable economy. On one hand, women are the major advocates for change. When men and women are equal, economic growth accelerates, the number of poor people decreases, and the overall welfare of the people increases. On the other hand, as the mainstay of economic activities, women can bring about stronger industrialisation and more sustained economic growth if allowed to fulfil their potential as leaders and consumers. In many countries, women are still economically dependent on their husbands, lacking control over the economic resources of their families and rights to inheritance. Economically vulnerable women are denied equal power in families and communities, and their voice in family, organisation and community affairs. To fully strengthen women's capacities and overcome the obstacles to reducing their poverty, women must be provided with economic and educational opportunities and empowered to take advantage of these opportunities to become investors and entrepreneurs.

Fourth, poverty reduction needs to follow new developments and meet new needs. As the family structure diversifies, the gender gap in poverty becomes more obvious. Particular attention should be paid to single-parent and single-person

families. Regarding single-parent families, working-age women are often poorer than men because they need to raise a family on their own, and have no or too little income to raise their family. For single-person families, women are more likely to become poor than men as they grow older. As China's urbanisation and population ageing maintain momentum, the family structure will become more diversified. It is, therefore, extremely important to analyse and discuss the relationship between gender, family structure and poverty.

“Achieve gender equality and empower all women and girls” is the goal of SDG 5. It manifests a global commitment to fully realise gender equality, covering nine aspects ranging from understanding and valuing unpaid caregiving and housework, to conducting reforms to give women equal access to economic resources. For China to achieve this goal will require a concerted effort of government and society in implementing a range of interventions and plans, thus ensuring women enjoy equal rights with men in politics, the economy, culture, society and family life. In particular, China must protect the rights of women and combat violence against women, strengthen the economic autonomy of women by promoting female entrepreneurship and job training programmes, and encourage women's engagement in matters within and outside families and help them raise their voice and influence.

4.2 Urbanisation and Poverty

As countries move from lower income to middle and upper income status they urbanise; a rule to which there has been no exception. The direction of causality runs both ways: urbanisation contributes greatly to growth and development and urbanisation is also an outcome of development, as the population shifts from lower value-added rural employment to higher value-added and higher-wage urban work. In most countries cities play a central role in the economy and in growth.

However, the benefits of urbanisation are generally not shared equitably by urban populations. The global trend has been that as populations urbanise, poverty

also urbanises; urbanisation reduces rural poverty, but gives birth to new forms of poverty in urban settings, which are often not income-based. Poverty reduction strategies, traditionally almost entirely rural-based, must now confront new challenges in the very different urban socio-economic and physical environment.

Although urban poverty alleviation is receiving a great deal of global attention and is a core part of the 2030 Agenda around the world and in China, this section of the book is relatively short. This is because virtually all the global experiences presented in Chapter 3, such as social protection, inclusive education, health care, pensions, work safety, and so on, are at least as relevant to urban poverty programmes as they are to rural. In some cases, they directly address core urban issues; mobility, informality, multi-dimensional poverty, etc. In this section the focus is on a small number of additional urban poverty challenges. Many parts of Chapter 2 are also highly relevant to urban issues, including financial services for poor people, use of ICT and the use of skills training to increase incomes.

The classic urban poverty phenomenon is substandard housing, i.e., slums. It is estimated that more than 840 million people across the globe live in urban slums and that this number is increasing. The United Nations Human Settlement Programme (UN-Habitat) defines a slum household as a group of individuals living under the same roof in an urban area who lack one or more of the following:

- Durable housing of a permanent nature that protects against extreme climate conditions;
- Sufficient living space, which means not more than three people sharing the same room;
- Easy access to safe water in sufficient amounts at an affordable price;
- Access to adequate sanitation in the form of a private or public toilet shared by a reasonable number of people;
- Security of tenure that prevents forced evictions.

The goal of managing urbanisation so that countries can benefit from its contribution to growth, but control its negative impact on the poor, was included in the MDGs. One of the targets of MDG 7, the goal that covered a broad range of environmental sustainability efforts, was the “improvement by 2020 of the lives of

at least 100 million slum dwellers”. However, growing recognition of the magnitude and the severity of the urban poverty problem led to a major upgrading of the issue in the SDGs, with the global agreement on SDG 11, “Make cities and human settlements inclusive, safe, resilient and sustainable”, focused completely on urban challenges.

The Asia Pacific region, where economic growth has led the world in the last 50 years, is also urbanising rapidly. In 1950, less than 20% of the region’s population lived in cities. As of 2018 that share will be more than 50% and will continue to rise in the coming decades. A recent UNDP/UNESCAP/ADB (UNESCAP, ADB, UNDP, 2017) study estimated that cities produce as much as 80% of the Asia Pacific region’s economic output. The report cites the example of Metro Manila, home to only an eighth of the population of the Philippines but which produces over 36% of the country’s GDP.

Urban poverty has some distinctive features that are different, in general, from rural poverty. Because both income and price levels tend to be higher in cities than in rural areas, income-based poverty measures tend to find lower poverty rates in urban areas, when the income poverty lines are not calculated carefully to reflect differences in urban and rural price levels. This includes the application of the global USD 1.90/day poverty line, which does not distinguish between urban and rural price levels. At the same time, multi-dimensional poverty rates tend to be higher among vulnerable urban population groups, for whom access to services and quality housing is often a bigger problem than income.

Another important difference between the urban and rural economies is the very sharp difference between the formal and informal sectors in urban areas, for which there is generally no rural equivalent. In almost all cases, social protection and other social service systems in urban areas were originally set up for a different era, when the urban economy was largely built on registered residents employed in registered workplaces. Now a large, new cohort of urban residents has arrived, generally migrant labourers who have moved from rural to urban areas, within and across borders. These newcomers are generally unable to share fully in the wealth their labour contributes to. Frequently the move to an urban centre is associated with unstable and underpaid jobs along with many other abuses and deprivations.

Many migrants have no choice but to settle in slums or substandard housing, exposed to pollution and other environmental threats. Crime and other threats to physical safety are a daily concern in their lives. Their informal status generally limits their family's access to clean water and sanitation, health and education services. Lifestyle changes, such as lack of exercise and a less healthy diet also increase the risk of non-communicable disease. The stress of relocating to such a different setting and being separated from families is frequently a cause of emotional stress as well.

Their deprivations are often aggravated by the informal or “illegal” status of their settlements, as a result of which they are often invisible to government social policy offices and programmes. For example, slum-dwellers often experience obstacles in access to schools due to lack of residency status or birth certificates and higher dropout rates because of child labour practices and a stronger fear of violence and harassment. As a result, they often depend on private schooling that requires additional expenditure and may be of poor quality.

Beyond the legal discrimination that results from their informal status, many migrants face social discrimination. Many are from other nations, or from minority groups, or simply are easily identified as having been raised in rural, less prosperous or sophisticated areas. In general, these urbanites move through their new home cities as second-class citizens.

Another distinct element of urban poverty is isolation; the poor, including the elderly, are often separated from their traditional family support structures. This problem is exacerbated as the population ages, due to reduced mobility for the elderly, many of whom spend ever-increasing amounts of time alone at home.

Virtually the entire UN system is involved in helping to address some aspect of the challenges presented by urbanisation. UN-Habitat is taking the lead in the development and implementation of the New Urban Agenda, to advance and monitor progress towards SDG 11. This Agenda was approved in October 2016, at the Habitat III Conference, and endorsed by UN General Assembly Resolution A/RES/71/256.

4.2.1 The New Urban Agenda

The Agenda comprises the following provisions:

- **Provide basic services for all citizens.** These services include: access to housing, safe drinking water and sanitation, nutritious food, health care and family planning, education, culture and access to communication technologies;
- **Ensure that all citizens have access to equal opportunities and face no discrimination.** The Agenda emphasises that city authorities must consider the needs of women, youth and children, people with disabilities, marginalised groups, the elderly, and indigenous people, among other groups;
- **Promote measures that support cleaner cities.** Tackling air pollution in cities is good both for people's health and for the planet. In the Agenda, leaders have committed to increase their use of renewable energy, provide better and greener public transport, and sustainably manage their natural resources;
- **Strengthen resilience in cities to reduce the risk and the impact of disasters.** Many cities have felt the impact of natural disasters and leaders have now committed to implement mitigation and adaptation measures to minimise these impacts. Some of these measures include better urban planning, quality infrastructure and improving local responses;
- **Take action to address climate change by reducing greenhouse gas emissions.** Leaders have committed to involve not just local government but all actors of society to take climate action in accordance with the Paris Agreement on climate change which seeks to limit the increase in the global temperature to well below two degrees Celsius. Sustainable cities that reduce emissions from energy and build resilience can play a lead role;
- **Fully respect the rights of refugees, migrants and internally displaced persons (IDPs) regardless of their migration status.** Leaders have recognised that migration poses challenges but it also brings significant contributions to urban life. Because of this, they have committed to establish measures that help migrants, refugees and IDPs make positive contributions to societies;
- **Improve connectivity and support innovative and green initiatives.**

This includes establishing partnerships with businesses and civil society to find sustainable solutions to urban challenges;

- **Promote safe, accessible and green public spaces.** Human interaction should be facilitated by urban planning, which is why the Agenda calls for an increase in public spaces such as sidewalks, cycling lanes, gardens, squares and parks. Sustainable urban design plays a key role in ensuring the liveability and prosperity of a city.

Cities often lack the necessary instruments and information to diagnose urban poverty, identify the urban poor, where they live and how many of them there are, and design policies that will accomplish poverty reduction objectives. The changed profile of urban poverty has led some countries to formally adopt the multi-dimensional poverty index for targeting their urban social protection systems. One pioneer in this has been Vietnam.

Case Study 4.2.1: Use of the Multi-dimensional Poverty Index (MPI) for Targeting Social Protection in Vietnamese Cities (OPHI, 2016)

[Themes: Education/Training, Health, Social protection, Urban, Targeting, Monitoring and evaluation]

In 2009, an urban poverty study in Hanoi and Ho Chi Minh City, the two largest urban areas in Vietnam revealed that although income poverty in both cities was very low (1.27% and 0.31% respectively), the majority of the populations of these cities faced serious deprivations in other poverty dimensions, such as the size and quality of their housing, sanitation, access to good health and education services. Differences between migrants and those with permanent residence were particularly great. In response to these findings, the National Assembly adopted a resolution calling on the Government of Vietnam to use a multi-dimensional approach to identifying and assisting poor urban dwellers.

This work began in 2014 with a pilot project in Ho Chi Minh City, using a streamlined version of the MPI, covering five dimensions (unlike the standard international MPI which has 10): education, access to health services, housing, sanitation and clean water and access to communication services. The use of this

index added two million urban Vietnamese residents to the eligibility list for key social protection programmes.

One of the challenges in addressing urban poverty is the mobility of the poor population, most of them migrants who frequently move. Social protection is more difficult to provide effectively under such circumstances. The innovations in social protection already highlighted in section 3.2 of this report offer many case studies in extending coverage to vulnerable urban households, particularly in the Middle Income Countries of Latin America where much innovation has occurred.

4.2.2 Strengthening Pro-poor Urban Governance

While cities are becoming the frontline in global competition for capital flows and investment, the poor are often seen as thorns in the eyes of city managers. Social exclusion, and criminalisation are often the means to control or remove the urban poor, in the expectation that city competitiveness and life quality will improve as a result. However, global and Chinese experience confirms that the involvement of the urban poor in urban activities not only contributes to the prosperity of a city in the short term, but can also stabilise societies in the long run. Thus, good pro-poor urban governance is crucial in today's cities.

Good pro-poor urban governance requires the establishment of a set of mechanisms through which the interests and basic needs of different social groups can be articulated and reflected in policies and development plans at the local level. It needs the substantial participation of local communities. Additionally, the participation of all stakeholders, partnerships across different sectors, information channels, accountability, sound administrative, fiscal, political and legal frameworks, and institutional and human capacity are needed to support all the required elements.

A key theme in all assistance provided to urban governments is the need to strengthen their core governance capacity, including giving them more control over their fiscal resources so they can respond effectively to the special challenges they must confront in delivering services. City governments are at the forefront of service delivery to large numbers of people, but often lack the resources and the financial management capacity to meet the demands of their people. Some

countries, such as Uganda, attempt to devolve greater spending authority to city governments, but find that decentralisation of fiscal authority carries risks as well, given the ability of urban governments to raise funds from many new channels, such as loans and bonds. An example of a programme that supported decentralisation design and implementation is the World Bank's Vietnam Urban Upgrading Project.

Case Study 4.2.2: Vietnam Urban Upgrading Project (World Bank, 2011)

[Themes: Urban, Private sector involvement, Community-based approach]

In Vietnam, one million people move and become new urban residents every year. By 2020, 40% of Vietnam's 100 million population are expected to live in cities. Rapid development is sure to follow, but what is less certain is whether those most in need will benefit from it. Too often, gleaming city centres are surrounded by slums. To address this problem, the Vietnam Urban Upgrading Project, launched in 2004, targeted certain cities to help planners develop better pro-poor strategies.

New partnerships between communities and local governments have helped resettle families out of dilapidated shanty-towns, have upgraded infrastructure and expanded social services. Small-scale loans enable incremental home improvements and technical assistance has drastically improved land administration processes.

The programme has received funding from several resources: Vietnam allocated USD 150 million, which was supplemented by USD 5 million from the Japanese Government and USD 4 million from local community groups. The WorldBank initially contributed USD 222 million and then in July 2009, approved an additional USD 160 million to complete a canal improvement project in Ho Chi Minh City, benefiting one million residents. Midway through the project, over 200,000 of Vietnam's poor were already benefiting from access to schools, health clinics, and community centres. New drainage and wastewater systems in multiple cities are now benefiting 400,000 people. More than 36,000 housing improvement loans have been made, with a 95% repayment rate, while 80% of households in targeted cities now have proper land-use certificates, an increase from 50% before the programme began, and property values have increased two to four times. However, the most encouraging benefits are the reforms in administrative

procedures that are aimed to be more inclusive of local community voices and priorities. Participatory planning and community supervision of works were instituted in all target cities, and a National Urban Upgrading Strategy was approved by the Prime Minister in 2009. Phase two of the project will upgrade low-income areas for another 600,000 people. Altogether, almost two million people are expected to benefit directly from both phases, and another one million will experience indirect benefits.

4.2.3 Community-based Approaches to Urban Development and Poverty Reduction

Community-based approaches that have achieved such impressive results in rural poverty alleviation programmes are also increasingly a component of urban development and poverty reduction programmes. While the underlying rationale for such approaches is the same in urban settings, i.e., improving the responsiveness of the project to the actual needs and priorities of its planned beneficiaries and its appropriateness for local conditions, there are several ways in which community-based approaches are more challenging in urban settings. The World Bank has been using and adapting these approaches to the urban setting for some time, and has published a summary of experiences and findings. (World Bank, 2015b)

The most important differences that arise in implementing community-driven approaches in urban areas are:

1. Projects in urban areas, particularly slum upgrading or infrastructure projects, tend to be larger in scope and in investment amount, and are often more technically complex. They are not only local projects; frequently they must connect to and be compatible with larger projects that extend elsewhere in the city. While the benefits of community-driven approaches are still significant, the balance between community and government control may shift because of this;
2. Identifying the relevant community, and targeting the relevant intended beneficiaries, can be more complicated in urban settings. For infrastructure and slum upgrading projects the community can generally be defined by the geographical boundary of the work, however for other development projects, such as social protection or employment generation, the targeted

population generally spills over geographical boundaries. Community outreach and participation is therefore more challenging;

3. Urban populations, particularly lower income and informal sector groups, are more difficult to reach, requiring a greater investment in effort. They are physically on the move and work less clearly defined hours than rural populations. Whereas rural poor tend to be settled in villages where they own or have other long-term housing tenure, urban poor generally live in poor quality rental housing under informal arrangements that require frequent changes of residence. Critically, the gap mentioned earlier between formal and informal sectors often gives these groups a sense of distrust, even suspicion, towards government offices and programmes that seek to engage with them. The sense of community that is often a feature, and an asset, in rural development work is often lacking in urban settings, where the targeted groups come from different backgrounds, different homes and often speak different languages or dialects. At times, wealthy and poor households live quite near each other. Creating communities of shared interest under such conditions can take a considerable amount of time and effort.

Despite these challenges, community-driven urban poverty reduction approaches have gained increasing prominence in recent years. One key reason is the recognition that simply providing physical upgrading of housing or other infrastructure is not enough to solve the full poverty problem. Community-driven approaches emphasise doing more than that; comprehensively assessing the environmental, social, economic and cultural aspects of the living conditions of the urban poor, and investing the needed time and effort to engage them in participatory programmes that address the full set of challenges.

The following are two case studies from the World Bank study cited above:

Case Study 4.2.3: Indonesia National Community Empowerment Programme (“Program Nasional Pemberdayaan Masyarakat”) in Urban Areas (PNPM—Urban) (World Bank, 2015)

[Themes: Urban, Community-based approach, Private sector involvement]

PNPM is the largest community-driven development programme in the world, covering all urban and rural lower tier government units in Indonesia. The urban component of PNPM was launched under a different name in response to the 1997 Asian Financial Crisis, which led to a rapid increase in urban poverty. It was merged into the PNPM in 2006 and expanded, receiving USD 149.98 million in World Bank support, which financed projects that covered about 5.5 million people living in over 5,000 urban wards across 19 provinces.

The majority of the World Bank support was used to provide grants that co-financed community development projects, such as basic infrastructure, revolving loan funds for income generating activities, and social programmes targeting the poorest and most vulnerable households. After an evaluation of the programme it was later targeted more carefully at the poorest areas, and housing and infrastructure upgrading was emphasised. Local government and city government contributions were also increased.

Community participation was established by the creation of representative community organisations called Badan Keswadayan Masyarakat (BKMs). The BKMs were tasked with formulating Community Development Plans using a participatory approach, including surveys of the local population, to set the goals and primary means by which the community could reduce poverty. The BKMs were allowed considerable flexibility in selecting their projects, and could apply for additional support from local or city government, or other stakeholders, such as private firms. The Community Development Plans were always reviewed by senior project officers working at the next highest level of government.

Two additional pilot programmes have been launched under the PNPM-Urban in response to the recognition that larger investments were required to deal with some of the most pressing challenges faced by urban communities. One programme, called the “Poverty Alleviation Partnership Grant”, offered cost-

sharing by local governments for the larger-scale activities included in the Community Development Plans. The other, Neighbourhood Development, was a slum upgrading programme launched in 18 pilot sites which offered more complex planning and bigger grants for larger-scale activities operationalised in partnership between communities and their local governments. Typical Neighbourhood Development grants were four to six times larger than previous ones, averaging roughly USD 100,000 per grant.

The third phase of PNPM-Urban financed over 5,000 kilometres of roads, 1,667 kilometres of drainage systems and rehabilitated nearly 30,000 housing units. Access to these services was improved in 80% of Indonesia's urban wards, and surveys of the local population indicated that 85% of project beneficiaries were satisfied with the project outcomes. Infrastructure was consistently found to be of good quality and costs under this programme were 20% lower than the average non-community-based infrastructure projects throughout almost all the same urban wards.

The following key lessons were identified following a review of the project:

1. Although community-based approaches in urban settings are more challenging than in rural, they present excellent opportunities for successful poverty reduction programmes. Although participation rates were lower in urban areas, due to the generally much busier and less predictable schedules of urban residents, there was also a more diverse pool of local skills and knowledge to draw upon, making the potential reward of engaging them greater;
2. The urban demand for microfinance and income-generating activities was high, as well as the demand for core social safety net programmes. Urban residents experienced difficulty in maintaining stable incomes and in meeting the school expenses of their children. While the programme focused primarily on housing upgrading and infrastructure development, it explored innovative ways to meet the income needs of local populations;
3. Linkages between components of the Community Development Plans, such as targeting micro-lending to recipients of job skills training, were not adequately developed or exploited;

4. The role of local governments was greater than in rural community-based projects, because of the size and complexity of many of the projects;
5. More generally, the size of urban populations, their diverse backgrounds and conditions and the complexity of the urban environment make successful urban community-driven projects more challenging than rural, and require the greater involvement of skilled experts and facilitators. Careful attention must be paid to the sensitive differences among the neighbourhoods.

4.2.4 Urban Employment Programmes

Despite progress in some countries in providing social assistance and social protection to poor urban households, this continues to be a great challenge. Employment generation in urban areas is thus an even higher priority, as by drawing migrants and unemployed urban youth into productive employment governments seek to give a sustainable boost to incomes and reduce poverty among vulnerable urban households. When private sector businesses do not generate sufficient job openings to absorb the urban labour force, governments frequently offer public employment in sectors where the government is the main employer. This can accomplish two goals; making a strong contribution to healthy urban development while also generating job opportunities.

Key sectors where governments may have this opportunity are (ILO, 2012):

- Infrastructure, especially labour-intensive investment projects such as roads;
- Basic urban services such as street cleaning, park maintenance, guards;
- Environmental services, such as drainage, sewage canals;
- Social services, such as community-based health centres.

The government need not be the direct employer in all cases; private contractors can also be hired to undertake this work. The important point is that the work is designed to be relatively labour intensive and to generate additional employment opportunities.

Considerable experience exists in designing urban employment generation programmes, and UN agencies have frequently supported them. Housing projects in South Africa are an example of urban investment that addresses urban development needs while also creating numerous employment opportunities.

Case Study 4.2.4: South African Urban Public Housing Construction (World Bank, 2009)

[Themes: Urban, Cross-departmental coordination, Women]

Since the mid-1990s, housing has been a major focus of the Government of South Africa; it is the dominant category of state expenditure on local level infrastructure. To maximise its social benefits, the Government has consistently sought to link investment in housing to employment generation.

At the local level, two programmes illustrate how employment concerns were integrated into slum upgrading schemes. Both programmes (Cato Manor in eThekweni/Durban and Vosloorus People's Housing Process near Johannesburg) had very positive employment side benefits, mainly because employment creation was built into the original programme design. Recognising the opportunity to provide both housing and jobs, targeted procurement policies were adopted in Cato Manor. In their bids, contractors had to indicate the local content value, i.e., what value would accrue to labour recruited locally and to local enterprises/suppliers. The local labour requirements (80% of total labour) included a gender component and, after initial resistance, teams of women were found to be more efficient in completing the tasks allocated to them than teams of men. After a while, groups of local artisans began presenting themselves as emerging contractors and were given the opportunity to establish themselves through mentoring and performance-based selection. In the Vosloorus People's Housing Process, local labourers worked in teams that combined skilled and unskilled workers, under the supervision of contractors from the community. Both contractors and workers received training financed by the Department of Labour. It was agreed that at least 30% of the workers should be women. In Phase I, about 30% of the construction costs were paid as wages to local labour. In Phase II, spending on materials was redirected to local suppliers, increasing the local content to 60% of total construction costs.

Two key lessons can be learned from these case studies:

1. Employment concerns should be addressed and integrated during the planning stage, and not when construction is already ready to begin;
2. Political pressure to fast-track housing delivery impacts negatively on community mobilisation, training, potential employment creation and linkages with other projects in the area.

Trade-offs exist between the urban development goals of projects and their employment generation purposes. A review of a public-works project in Korea provides insight into these trade-offs and the possible approaches used to manage them.

Case Study 4.2.5: Public Works in Korea

[Themes: Environment, Urban, Community-based approach]

The public works projects implemented in Korea, following the 1997 financial crisis, divide into four broad categories: (i) infrastructure work, projects involving forestation and new construction of small public facilities, such as community parks or repairing public property; (ii) public service projects, providing temporary workers for public organisations and community welfare service centres. These public workers engaged in a variety of activities, which ranged from managing cultural assets in national museums to teaching children from low-income families in after-school classes; (iii) maintenance projects, mainly composed of activities such as garbage collection and lawn maintenance in national parks, snow removal, and street cleaning; and (iv) information technology projects, added to the public works programmes in 1999, which can be classified as professional or non-manual projects. Relatively young and educated workers were included in this category, mostly working to construct databases, and provide assistance to resolve the year 2000 computer problems.

Another example of successfully combining employment generation and other urban development targets is that of Argentina where, following the aftermath of their 1999 economic crisis, the Government launched a major urban public employment programme.

Case Study 4.2.6: Programme Activities in Argentina's Jefes y Jefas de Hogar (Heads of Household) Programme (ILO, 2012)

[Themes: Nutrition and food security, Urban, Employment, Community-based approach]

A large number of projects in Argentina were designed specifically to cater to community needs by providing a wide range of goods and services; 87% of the Jefes programme beneficiaries work in community projects. These include primarily agricultural micro-enterprises and various social and community services, such as cleaning and environmental support in the agricultural sector, and improving sewer systems and water drainage. Much of the community work is performed in local community centres, thus many small Jefes infrastructure projects were developed for the renovation of existing centres or the construction of new ones. The community services provided by these centres include food kitchens or family attention centres, which address domestic violence issues or provide temporary shelter and other services for abused women or children. Other projects include health promotion programmes, which offer basic education on sanitary issues, while several manage old clothes donations for poor communities. A similar programme exists in public libraries, where scrapped books from wealthier regions are repaired and catalogued for public libraries in poorer communities. Large-scale infrastructure projects, primarily under the jurisdiction of the Ministry of Infrastructure, also hired workers from the Jefes programme to repair Argentina's roads and bridges.

4.2.5 Informal Urban Economy and Social Protection

Poverty is often associated with the informal economy and in many developing countries the informal economy absorbs a large portion of employment. Roughly half the global workforce is in informal employment, and a large majority of these informal workers have little or no access to government social protection schemes. This lack of protection traps workers and their families in a vicious cycle of vulnerability, poverty and social exclusion. It is a huge impediment not only to their individual welfare and their enjoyment of human rights (in particular, the right to social security), but also to the economic and social development of their countries. (ILO, 2017)

In China, informal employment is estimated to be close to 60% of total employment in urban areas. (Gao, 2012)

The informal economy is especially important as a source of livelihood for low-income families in developing countries, however, its lack of social protection also leaves the urban poor vulnerable to shocks and exposed to risk. The higher income that internal migrants can obtain in their new urban homes also comes with a great risk of sudden loss.

Three core approaches are utilised to address this problem:

1. Contribution-based programmes that allow the participation and enrolment of informal sector workers.
2. Universal social protection schemes in which informal sector employees participate along with the rest of the population.
3. Approaches that aim to formalise the informal sector workers, by creating organisations for them.

The core approach of providing universal social protection schemes has been discussed at length in Chapter 3, which highlighted case studies, such as Mexico's Prospera Conditional Cash Transfer programme and Argentina's Universal Health Care system. This Chapter therefore focuses on contribution-based programmes and on formalising the informal sector workers.

Case Study 4.2.7: The Uruguay Mono-tax for Informal Sector Workers and Small Businesses (ILO, 2016b)

[Themes: Finance, Education/Training, Health, Environment, Community-based approach, Women, Children]

Earlier in this book (see Case Study 3.2.8) the Argentina Universal Child Allowance was examined, a programme which allows independent informal sector workers to enrol, pay a contribution and receive a benefit that equates to that received by formal sector workers.

Uruguay has a similar scheme, with its “mono-tax” a simplified tax and

contribution collection mechanism for informal sector workers. The micro-entrepreneurs who select this option, as well as their workers, are automatically entitled to the benefits of the contributory social security system (except for unemployment protection). Through the mono-tax mechanism, a single payment covering taxes and contributions is collected by the Uruguayan Social Security Institute, which transfers the tax payments to the fiscal authority and then uses the remaining share to finance social security benefits for affiliated members and their families. The mono-tax mechanism is a proven effective tool for extending social security coverage to self-employed workers, especially women, and for formalising micro and small enterprises.

A good example of programmes which formalise workers from the informal sector is the Self-Employed Women's Association in India (SEWA) which operates under the auspices of Women in Informal Employment Globalising and Organising (WIEGO).

WIEGO is an international research and advocacy organisation which targets the enhancement of the working conditions of poor women in the informal economy. SEWA was founded in 1972 and is a trade union for female workers in informal jobs. Health interventions are at the core of SEWA's practice and its staff are well-versed in the technical issues of insurance and integrate health interventions into all the components of their work.

Case Study 4.2.8: Self-Employed Women's Association in India (SEWA) (EU, 2009)

Based on the observation that many female informal workers had occupational health problems, the founder of SEWA, Ela Bhatt, undertook comprehensive research with the National Institute of Occupational Health (NIOH) to ascertain the conditions and needs of these workers. The target groups included handcart-pullers and bidi^④ workers.

Based on the findings of this research, SEWA's intervention focused on the health areas of prevention, care, and insurance. Its institutions include SEWA Bank, SEWA child care services, and institutions for disaster management. To prevent and

④ Bidi is a low-cost version of a cigar.

offer health care, between 1985 and 2000, SEWA trained 200 of its members as local health workers for their own communities, by working with the Indian Government through its Primary Health-care Programme (PHC) which focuses on reproductive health and family planning. The trained community health workers manage their own community health centres, providing other SEWA members with preventative health care and education, including the immunisation of children. The centres also provide preventive equipment such as gloves and masks, and low-cost medicines.

SEWA's insurance scheme, "Vimo SEWA", is composed of life insurance, asset insurance and health insurance. The scheme is designed to prevent the harsh impact of illness on the poor, both through loss of income and through incurring large medical costs. The reduced costs achieved through this health insurance encourages workers to seek medical treatment and prevent further losses. The insurance also covers maternal needs and members are eligible for a grant at the time of child birth, and antenatal and nutritional care. The Vimo SEWA programme has a membership of over 102,000.

SEWA is keenly aware of the limitations of its health insurance; one major concern being that the rate of insurance is set for financial sustainability and thus extremely poor members cannot afford the already-low premiums. Additionally, in some cases, the standard of care provided is not adequate. To solve these and other problems, SEWA is constantly seeking and experimenting with innovative ways to improve. Nonetheless, SEWA's experience demonstrates that affordable and quality health care can be provided at the community level for informal sector workers.

Nepal's PRISM initiative is another good example of how social protection can be offered to the informal workforce. In China and many other countries, waste management is a sector dominated by informal workers, who derive their income from selling materials collected from refuse bins, construction sites, or roadsides. These workers are constantly exposed to pollution, busy traffic, and accidental injuries, while their poor living conditions, limited knowledge and skills, high incidence of occupation-related muscular problems and respiratory and gastrointestinal diseases expose them to high vulnerability. In Nepal, informal waste workers (IWWs) are among the poorest of the poor and PRISM, Poverty Reduction

of Informal Workers in the Solid Waste Management Sector, targets the members of this vulnerable group.

Case Study 4.2.9: Poverty Reduction of Informal Workers in Solid Waste Management Sector (PRISM) (Practical Action, 2014)

[Themes: Education/Training, Health, Social protection, Community-based approach, Women, Informal sector worker]

PRISM was designed with the goal of providing social protection for the informal waste workers (IWWs) in five municipalities of the Kathmandu Valley in Nepal. Preliminary research identified a total of 8,367 IWWs (6,582 men and 1,785 women) at 63 waste disposal sites. 59 IWW groups were made up including 10 women groups. 35 community-based organisations were identified to participate in the interventions.

PRISM has three pillars: (i) behavioural change, (ii) capacity building for business, and (iii) social protection. Behavioural change communication sessions were carried out to raise awareness and change the perception of the public towards IWWs. Safety equipment and safety training was provided for 5,622 IWWs to minimise the incidence of occupational diseases.

Capacity building for business included entrepreneurship development training and the enhancement of the solid waste marketing system. 472 IWWs participated in the entrepreneurship development, receiving training in business management and accounting. Meanwhile, scrap dealers received training regarding new and innovative technologies for increasing income. To strengthen the solid waste management system, the project developed an action plan through participatory market mapping workshops. The action plan was designed to improve waste market supply chains and the efficiency of service delivery.

The social protection scheme was composed of several components, most importantly:

- A health care scheme, designed in collaboration with community hospitals. The health centres provided affordable health-care services to the poor,

combined with existing health insurance that had been introduced to the community level groups. Awareness-raising sessions were conducted among the IWWs to reduce their health risks;

- A child protection programme facilitated formal and informal education for IWWs' children. Informal education took place in community resource centres (CRCs). Early child development centres were set up together with formal schools. The cooperatives support children with tuition fees and education materials. IWWs were encouraged to save a certain amount of money in the cooperatives for their children's education. The behavioural patterns of the parents were gradually changed through this financial support from the cooperatives;
- CRCs also provide protection for women as they act as a platform where women IWWs can speak openly about their problems and other issues. CRCs also provide women with training on health and safety, leadership, family education, saving and credit mobilisation, etc;
- Cooperatives were established to enhance IWWs' financial accessibility. Through PRISM, an IWWs organisation and a cooperative were registered. Business and technical skills were also provided through the cooperative to members, so that they could deliver waste collection and processing services more efficiently;
- A safety net was set up to support IWWs in crisis; the project has already supported eight cases of emergency health treatment.

4.2.6 Public-Private Partnerships in Urban Development

Urban centres are generally more economically active than rural areas, which presents pro-poor development opportunities that are rarely available for poor rural governments. At the same time, urban financing needs are generally greater than rural, because their populations are often increasing rapidly, with associated rapid growth in demand for housing, sanitation and other public infrastructure services. One important approach which urban governments turn to is the public-private partnership (PPP). These PPPs should not be confused with privatisation; they are contracts between governments and private firms in which financing responsibility is shared, leading to reduced up-front costs for government, while the risks are also

shared. Without giving up ownership rights, urban governments also enjoy the advantages that private engagement provides in terms of faster delivery of the completed project, better service, and greater cost efficiency.

PPPs are not risk-free, of course. There are additional complexities in the contracting process and there are risks of corruption. Government capacity to engage in PPP arrangements can sometimes need enhancing. A UN-Habitat report cited the following government skills as being necessary for effective PPP management (UN Habitat , 2011):

- Negotiation Skills
- Mediation
- Arbitration
- Contract Law
- Project Management
- Performance Auditing and Quality Control
- Public Process
- Private Sector Finance
- Risk Management

However, considerable global experience in utilising PPPs with urban governments now exists, including in housing construction, urban transportation, water and sanitation management and construction and/or management of schools and hospitals.

The Government of India, a country where urbanisation has been particularly rapid, has made considerable efforts in using PPPs in urban infrastructure, including in water delivery. A specific focus of their PPPs in water supply has been universality – safe water must be delivered to all households, including the poor, whose demand is great.

Case Study 4.2.10: India Water Supply PPP in Three Karnataka Cities (The World Bank, 2014)

[Themes: Health, Nutrition and food security, Private sector involvement]

In 2003, the Government of Karnataka (GoK), a state in Southwest India with a population of over 61 million, launched the Karnataka Urban Water Sector Improvement Project to provide water supply for all, including the poor, in five demonstration projects in three cities. A two-year performance-based management contract was awarded to the French company Veolia, in April 2005, to manage the implementation of the infrastructure improvements and to operate the upgraded system. The total funding for the project was USD 52.7 million. The World Bank provided a USD 40.4 million loan for the project and the GoK provided the additional USD 12.2 million.

Project planning and implementation included a strong emphasis on a “Social Intermediation and Communication Strategy”, in order to reach out to affected communities and better understand the conditions under which the project would be built. The team carried out baseline surveys to capture the concerns of the local population and better understand the environment for reform. Water user committees were established to help coordinate local citizen meetings and raise awareness because of the initial resistance and scepticism about the project. Following completion of the Veolia refurbishment work, there was a five-fold increase in revenue billed and approximately a seven-fold increase in revenue collected. Households are now consuming an average of 91 litres per day per person, a significant increase over previous levels of consumption, and this is expected to improve household hygiene. The amount of water being supplied was reduced by 10% because of the dramatic reduction in water leakages. Good customer service was made obligatory, with the operator required to redress customer complaints within a contractually stipulated time. Customers also received an indirect economic gain through an increase in their property values, ranging from 40-60% for the properties located in the demonstration zones, when compared to the values in adjacent localities. Special focus was given to service delivery for the poor and all households were provided direct service connections.

Poor households, those living in houses of less than 600 square feet of built

space, were not required to pay a deposit for a water connection. A lifeline tariff approach was used, setting a very low price for the minimum necessary water consumption of 8 kilolitres per month. The demonstration project proved that with a significant change in the management approach to consumers, to billing, and to revenue collection, it is possible to provide an uninterrupted and metered water supply to even the poorest areas.

4.2.7 Conclusion, with an Example of a Comprehensive Pro-poor Urban Development Agenda

There is no doubt that China's poverty alleviation efforts in the coming years will require a steadily increasing focus on the problems of the urban poor. Because of the key structural differences between urban and rural poverty, new concepts and approaches will be needed in this work.

As China moves towards the realisation of a unified urban/rural social service and protection system, some of the lessons learned from international experience can be considered.

Serious urban poverty will often not be captured by income-based measures. The most critical urban deprivations tend to be in housing, hygiene, environment, such as air and water pollution, safety and access to basic public services. Experimentation with applying the MPI or a similar standard in urban areas could produce useful information for policy makers.

Community-based work in poorer urban communities where much of the population consists of internal migrants is challenging, but can offer great benefits in increased social cohesion and improvement of public services for this population group.

As household income continues to increase in China all urban workers, including migrants engaged in informal sector activities, will develop higher expectations regarding the issues covered in the international decent work agenda; protection against labour contract violations, safe and secure working conditions, bargaining rights and the right to adequate compensation for workplace injury. Their attainment of these improved working conditions will bring many benefits to

urban economies and the environment.

Other social protection and other services, including health care, health insurance, education and financial services, should be steadily extended to the urban poor, including both internal migrant workers and the “invisible” poor, such as the elderly and people with disabilities or illness.

The global challenge of providing affordable housing of an acceptable standard for the urban poor, especially migrants, should receive attention in China as well.

This Chapter concludes with a section of the Government of Korea’s report to UN-Habitat, regarding their progress in implementing MDG 7, focusing on the pro-poor considerations in their urban planning. This can serve as a very interesting example of how a relatively advanced government perceives and addresses the poverty-related challenges in its urban areas. In addition to the Korean submission, the reports of other UN members can all serve as useful references for urban development and poverty reduction challenges, approaches and achievements across the globe. These reports were provided by the full range of member countries, from highly developed to low income. (UN Habitat, n.d.)

Case Study 4.2.11: An Extract from Korea’s 2014 National Report to Habitat III on Urban Improvements (UNICEF, 2017)

[Themes: Urban]

Slum upgrading and prevention. The types of poor dwellings change and policy means to respond to them are required. We will develop measures to intervene in the increasing new types of poor dwellings such as goshiwon. The improvement projects for poor residential areas must provide sufficient information to the people who are affected by them and rationally consider their interests when deciding and carrying out such projects. We will improve systems and procedures for this purpose.

Improving access to adequate housing. We must prepare health and safety standards to apply to all housing. Every human dwelling must be required to satisfy

these standards, and we will develop policy means to actualise them. This policy defines the minimum level of the dwellings to be provided to all citizens, and is the basis for ensuring access to adequate housing for everyone. It re-examines the distribution principle for providing affordable dwellings and ensure that the groups with large housing demands will not be excluded. We will make an effort to enhance the validity of policies by removing the institutional restrictions to accessibility.

It is important to allow people to live without difficulties at the places where they want to live at every point of their life cycle. In particular, we will improve the quality of life while reducing social costs by allowing the aged and the disabled to lead independent life for as long as possible while minimising their difficulties in living spaces due to old age or physical handicaps.

Ensuring sustainable access to safe drinking water. We need to limit actions to secure water sources and maintain water quality such as water source protection areas, and effectively respond to continuous pressure on development for surrounding areas. We must decrease burdens on water production and environment by reducing water usages by improving our water consumption habits and expand reuses. We will build the infrastructure for reducing water demand such as the replacement of decrepit pipes to decrease water leakage while distributing devices for reusing wastewater and saving water.

Ensuring sustainable access to basic sanitation and drainage. The government is carrying out a project to separate combined sewers into rainwater and wastewater sewers. This new system is designed to appropriately treat wastewater when heavy rains fall rather than immediately draining it to rivers, which is appropriate for conditions where seasonal differences in precipitation are large. As of 2011, the combined sewers account for 40.1% and the separated sewers 59.9%, and we will further increase the percentage of wastewater treatment by continuously expanding this project. We will reinforce economic enticement means and regulation devices to encourage the recycling and reuse of wastewater. Furthermore, we will set water reuse goals and encourage people to actively achieve them.

Improving access to clean domestic energy. In the disputes regarding the use of nuclear power, the logic of economy and safety are opposing each other, and the perceptions of the industries and civil society are entangled in a complex manner.

We will openly conduct this discussion to make it an opportunity for developing social awareness related to energy. We will actively respond to environmental changes according to the development of new energy sources such as shale gas, and increase investments in the development of technologies to reduce energy uses such as smart grid. Furthermore, we will search for various practical methods to increase energy self-sufficiency rates while reducing energy consumption in daily life and replacing conventional energies with eco-friendly energies.

Improving access to sustainable means of transport. We need institutional devices to promote the means of public transport in line with urban conditions and monitor large-scale investments that do not have realistic financial plans. Through them, we will find realistic alternative solutions that are financially sustainable to effectively cope with impending problems and encourage active investments in them. While making attempts to advance public transports including buses, we will work together with municipalities to promote walking and the use of bicycles. The number of mobility disadvantaged persons is expected to continuously increase due to the increasing aged population. We will actively carry out activities to remove barriers felt by mobility disadvantaged persons in relation to the use of public transport. Furthermore, we will dramatically reduce barriers to mobility by increasing the introduction of low-floor buses and special means of transportation for the mobility disadvantaged people.

4.3 The Poverty-Environment Nexus: Linking Environmental Protection and Poverty Reduction

4.3.1 Poverty and Environmental Management: Policy Challenges and Opportunities

As with gender equality, environmental sustainability cannot be treated as a sectoral issue; sustainability is factored into virtually all the work of the UN around the globe, because all programmes and plans need to be assessed from the sustainability lens. The very fact that the global community has embraced the SDGs as the centrepiece of the 2030 Agenda clearly demonstrates this recognition.

The 1992 Earth Summit was a turning point in putting environmental issues at the centre of the global development agenda, while the 2002 World Summit on Sustainable Development highlighted the many powerful links between poverty and the environment, and the need for global policy makers to enhance their focus on the role of improving environmental management in poverty reduction.

The lives of all human beings depend on the ecosystem and women and men living in poverty are particularly vulnerable when that ecosystem starts to deteriorate. The bottom 20% of the world's population share less than 2% of global income (Poverty-Environment Partnership, 2016). With such limited access to financial capital, the poor are heavily dependent on natural assets such as forests, fisheries and farmland for their livelihood, nutrition, health and employment, especially in rural areas. The lives of around 2.6 billion people are either partially or fully dependent on agriculture; 1.6 billion on forests; and 250 million on fisheries. Degradation of these resources and the ecosystem services they provide has a direct and devastating impact on the livelihoods of the poor. Environmental poverty, defined as the “lack of access to natural assets, inadequate management of resources and exposure to ecosystem degradation and pollution” is one of the most serious deprivations that poor people confront in their struggle to create decent lives for themselves and their families. In addition, developing countries, and most importantly their poor and vulnerable population groups, bear the brunt of climate change.

Environmental poverty is not only a rural problem. The urban poor, growing in number each year, also face numerous difficult environmental hardships arising primarily out of their substandard slum living conditions and inadequate infrastructure. They often lack access to clean water and sanitation and suffer from air pollution, crowded living conditions and lack of access to green spaces.

International experience of the last two decades have taught some useful lessons regarding effective approaches to environmental challenges. There is a growing global focus on integrated packages of policies that capture environmental, economic, cultural and social policy dimensions. Some examples of this experience were presented in section 2.1.1 of this book, which examined integrated approaches to green agricultural development. In this section we take that

discussion further, and look at experience with a range of integrated programs and tools, such as public environment and climate expenditure reviews, natural capital valuation and accounting, strategic environmental assessments, and sustainable development scenarios and modelling.

China is now a central player in the global effort to shift to sustainable modes of development. The country's large population and rapid resource-intensive growth of recent decades has brought the links between poverty and the environment into sharp focus. China has many resources that it can draw on in this effort; her strong state capacity and robust economic foundation create the preconditions for a long-term, concerted, integrated push to address environmental poverty. The world noted that the Chinese government recently enshrined the establishment of an "ecological civilisation" in its Constitution. To achieve that goal China will have to continue placing environmental sustainability at the heart of its long-term development strategy.

Leading Chinese scholars have recently noted the role that environmental protection can play in overcoming the country's poverty challenges. (Zhang Qi, 2017 and Wu Guobao, 2017)

More than 80% of China's key counties in the current poverty alleviation and development drive, and 95% of the absolute poor population, are located in ecologically fragile areas. Therefore, the ecological fragility of these and the bordering destitute areas are closely correlated with poverty. (Wu Guobao, 2017) China's Poverty Elimination Plan for the 13th Five-Year Plan Period (2016-2020) has made reducing poverty through environmental protection one of its key components. The concept of green development is now fully integrated into China's targeted poverty alleviation work, at the institutional design level and at the policy-making level. Examples of green poverty reduction approaches that are now being employed include eco-compensation, solar energy development, relocation, green industry and cultural development, and evaluation mechanisms to track the environmental dimension of poverty reduction work.

After 2020, as the focus of poverty alleviation in China shifts from absolute rural poverty to the new challenges of relative poverty, multi-dimensional poverty and closing inequality gaps, environmental issues will still be a central focus. Poverty

will still exist in areas with fragile ecosystems and environmental services for poverty reduction will therefore continue to be one core modality for targeted poverty relief in China. At the same time new challenges in urban environmental poverty will also grow in urgency.

In all these areas, how to most effectively integrate green development concepts into poverty reduction and achieve a balance between humans and nature will continue to be a core topic for sustainable poverty reduction in China, as it is globally.

4.3.2 Sustainable Agricultural Poverty Reduction

In section 2.1.1 this book highlighted examples of sustainable approaches to agricultural development. To complement that discussion the following case studies are presented.

Case Study 4.3.1: Vietnam Integrated Rice-Fish Aquatic Biodiversity Project (FAO, 2017)

[Themes: Agriculture, Environment]

Rice production in Vietnam has a central position in the country's food supply and national economy. In an effort to reduce the use of pesticides and improve both the health of the rice ecosystem and the income of farmers, the FAO worked with farmers to integrate rice-based aquatic biodiversity into the production system. A total of 105 farmer field schools farmers (FAO, 2018), of whom 55 were women, were selected, all of them working on adjacent plots covering an area of 34 hectares. The rice farmers applied the efficient management principles they were taught to grow healthy, high-yield crops while using fewer and more sustainable production inputs. They explored ways to make optimal use of the multiple goods and services that paddy-based farming systems offered. Farmers learned conservation and management of aquatic biodiversity techniques (including both captured and cultured fish species) combined with improved agronomic practices, such as wider plant spacing/reduced seeding rates, improved water management, and reduced use of chemical pesticides. The average gross income per farmer from integrated rice-based aquatic production was USD 7,751 per year, four times the

income (USD 1,892) earned from producing only rice. The individual increases ranged from 210% to 550%, depending on farmers' experience and variation in the choice and number of fish that they raised. Informed decision-making by the farmers, based on agro-ecosystem analysis, led to more effective, natural and sustainable pest management, such as using fish rather than chemical pesticides and biological control agents.

A case study from Ethiopia further highlights the importance and impact of fully engaging with local populations in implementing ecological poverty reduction programmes and the very close linkages between cultural heritage, natural resource endowments and livelihoods. Ethiopians live in extremely challenging climate conditions, for example, the recent El Nino phenomenon caused drought, which put people in a long-term situation of food insecurity, especially those inhabitants of the arid and semi-arid areas in the northeast and southeast regions. Nomads account for 12% of the total Ethiopian population but they occupy more than 60% of the land and own about 40% of the country's livestock. However, they are marginalised in terms of economy, society, and politics. They are not only affected by climate change, but also face the challenges of accessibility to public and social services, such as market information, water resources and good farmland for raising animals. They are Ethiopia's poorest and most vulnerable rural group. (IFAD, 2017)

Case Study 4.3.2: Ethiopia's Pastoralist Community Development Programme (PCDP) (IFAD,2017)

[Themes: Environment, Agriculture, Community-based approach]

The PCDP was launched jointly by the Government of Ethiopia, IFAD, the World Bank and local stakeholders. The programme's goal was to help smallholders and herders to access technology, finance, markets, and information regarding natural resource management in the face of growing climate change-related challenges.

The programme was implemented over 15 years, through three phases, and focused on improving public service delivery, investment and disaster management in order to improve the incomes, nutrition, health and education of these vulnerable communities.

The community-driven development approach used in the design and implementation of the programme highlights the key role of local people in making decisions regarding the type of regional development measures taken, that are important in the local environment. At the community level, the programme cooperated with the nomadic herders, established necessary management mechanisms, and carried out assessments and implementation through these management mechanisms. The PCDP also enhanced the capacity of government institutions at regional and sub-regional levels and improved accountability, learning, and policy dialogue systems.

Since its establishment, the PCDP has developed into a national programme, covering almost all of Ethiopia's pastoral areas. A total of 4.7 million herders from 145 impoverished areas benefited from public service and livelihood improvement plans. Faced with increasing natural disasters in target regions and with an ineffective traditional early warning system, the programme improved disaster prevention and preparedness. The programme helped herders organize, establish, and participate in disaster management system training to reduce their vulnerability. Local coordinators received training on how to collect, analyse and effectively disseminate information on early warning and household welfare so that communities could take precautionary measures. The programme also helped the communities to identify the main causes of disasters and to develop a five-year strategic investment plan to alleviate disasters.

With programme support, around 64,000 herders are now more able to manage drought and flood situations, and terraces have been built to protect farmland from erosion. Furthermore, 82 water programmes are being implemented in the region, with the cooperation of the Office of Water Resource Development, to provide drinking water and reduce waterborne diseases. As a result, herders no longer need to search for water, which has reduced conflicts between herders over water resource use.

The community-driven development approach also offered pastoralist communities increased opportunities to participate in knowledge-exchange events, such as annual pastoral day, study groups, reciprocal visits, and broadcasting and TV programmes. It also set up demonstration sites, provided better seeds and

shared and discussed improved methods of raising farm animals.

4.3.2.1 Poverty Reduction through Biodiversity Protection

When farmers focus on managing their natural resources and protecting biodiversity through the diversification of their agricultural production, they not only protect the biosphere but also increase their income and improve their livelihoods. Thus, the twin goals of poverty reduction and sustainable development are both achieved.

Case Study 4.3.3: Green Economy in Biosphere Reserve Project in Sub-Saharan Africa (UNESCO, 2018)

[Themes: Environment, Agriculture, Private sector involvement]

As part of its work aimed at poverty reduction and improved environmental management of natural resources in Sub Saharan Africa, UNESCO has taken a Community-based natural resources management approach. In line with this strategy, the Green Economy in Biosphere Reserve Project (GEBR), organised under the broader UNESCO Man and the Biosphere (MAB) Programme (UNESCO, 2018), has been implemented in Tanzania, Ghana and Nigeria since November 2013.

In Tanzania, the project is enhancing environmental conservation in and around the East Usambara Biosphere Reserve (EUBR) through diversifying livelihoods in support of poverty reduction. The selection of the EUBR was due to its affluent forest ecosystem with environmental issues of deforestation, soil erosion and the environmentally unfriendly practices by humans such as mining, charcoal production, tree cutting, etc. Based on similar ecosystems and environmental issues, the Kilimanjaro World Heritage Site was identified as a second intervention site to apply the same green business model within the framework of the UNESCO Dar es Salaam GEBR project.

Currently, a total of 931 beneficiaries are engaged in six green businesses: mushroom farming, fish farming, beekeeping, spice farming, butterfly farming and alternative charcoal production in EUBR. In KWHS, 185 beneficiaries operationalised five businesses: mushroom farming, fish farming, beekeeping, spice farming and alternative charcoal production. These green businesses were assessed and analysed as

suitable for the forest ecosystem using affordable and accessible technology as well as considering the preference of beneficiaries and the demand of the market.

The approach focused on behavioral changes from farming to green business entrepreneurship, as well as a shift away from traditional attitudes of donor dependence and towards more self-reliance. Training, monitoring and mentoring was undertaken by a local business expert who was able to also strengthen their own networks and supply chains.

The green business model included the following steps:

1. Adoption of advanced green technology;
2. Improved ownership of green businesses;
3. Building revolving fund systems within business groups;
4. Strengthening collaboration in business operationalisation.

Income generation of all business groups was achieved guaranteed through the GEBR intervention. The following results were achieved:

- Products from the Spice farming groups have met international market standards and are currently being exported to European buyers through international buyers. Records from one buyer show sales of USD 140,000 between October 2015 to 2016. Transformation of social attitudes towards entrepreneurship is evidenced through the utilisation of people's own resources, these include investments of an addition:
 - 400 beehives by the beekeeping group
 - 6 cages by the butterfly farming group
 - 17 pounds by the fish farming group
 - 271 mushroom shelters
- The organic transfer of skills from the primary beneficiaries to other community members occurs through the adoption of voluntary training activities. In KWHS, a total of 150 beneficiaries now produce mushrooms as a result of training from the original 35 trainees trained under the UNESCO programme. The alternative charcoal production trainees also shared their technical knowledge with other community members in order

- to expand business and sharing of benefits;
- The value of local species in the market has been recognised by both the green business sellers and buyers. For example, recently the improved quality of produce from the Tanga region including cloves, black pepper, cinnamon, cardamom, ginger, and cocoa has attracted large national and international buyers;
- The benefits realised through green businesses have resulted in changed activities that support environmental preservation, i.e., moving away from intensive dependency on the forest, to more environmentally friendly businesses as a means of primary income generation;
- Fish pond management automatically encourages beneficiaries to protect the upper catchment areas which controls the quality of the fresh water. In addition to this, several habitats along sites where green businesses have been established, have also effectively protected the damage of forest edges and riparian habitats.

A clear exit strategy has been put into place with the formation of green business associations, through formal registration, and linkages with micro-finance organisations to scale up and continue to sustain project results.

A number of key global initiatives, actions and policies have been implemented in recent years which have drawn countries together to address the poverty-environment links. China is already involved in many of these, and is likely to play a greater role in the future.

This section presents two of these initiatives: the UNEP-UNDP Poverty Environment Initiative (UNDP, 2018), and the Poverty-Environment Partnership. (Poverty-Environment Partnership, 2016)

4.3.3 The Poverty Environment Initiative (PEI)

The UNDP-UNEP Poverty-Environment Initiative (PEI) (UNDP, 2018) was launched in 2005, and supports country-led efforts to put pro-poor, pro-environment objectives into the heart of government by mainstreaming poverty-environment objectives into national development and sub-national development planning, from policymaking to budgeting, implementation and monitoring.

PEI's overall aim is to bring about lasting institutional change and catalyse key actors to increase investment in pro-poor environmental and natural resource management. With both financial and technical support, UNDP and UNEP assist government decision-makers and a wide range of other stakeholders to manage the environment in a way that improves livelihoods and leads to sustainable growth. The Initiative works with key government partners to raise awareness, influence policy making and strengthen the mainstreaming of the poverty-environment into budget processes, sector programmes and sub-national planning. PEI is considered a pioneer of systems and models that enable countries to localise the SDGs, by demonstrating how to respond to political and economic realities and incentives at the national level, and build support for sustainability. It has played a crucial role in successfully dealing with the relationship between poverty and environment, and in strengthening cooperation between international organisations in working towards the achievement of the SDGs and the 2030 Agenda.

**Case Study 4.3.4: PEI in Rwanda (UNDP Republic of Rwanda, 2005)
(UNDP-UNEP Poverty-Environment Initiative, 2015)**

[Key words: Environment, Cross-departmental coordination, Private sector involvement, Financial management/Corruption]

The project achieved the following results:

1. The Ministry of Economy and Finance (MINECOFIN) and Rwanda Environmental Management Authority (REMA) enhanced their capacity to include poverty-environment issues into mainstream development planning in a coordinated cross-sectoral way. The poverty-environment index strategy of Economic Development and Poverty Reduction Strategy (EDPRS) was adopted, and the environment has become an independent compound of EDPRS;
2. Institutional strengthening and capacity building was successful at the departmental and regional levels. Eight departments participated in and implemented more sustainable environment practices, including the sustainable river basin management policies put forward by REMA. In 2013 and 2014, eight industries and 30 administrative regions defined their policy goals, including supporting green villages, using environmental impact

- assessments, strengthening waste management, and introducing energy-saving cooking practices and soil erosion controlling measures;
3. Environmental issues were further integrated into the budget process. In order to assess environment-related expenditures, in 2009 REMA launched the 2005-2008 Public Environmental Expenditure Review (PEER). The review revealed that only 0.4% of the national budget was allocated to the environment and climate change. Following a further review in 2010, the Government established the National Environment and Climate Change Fund (FONERWA) to expand financial inputs into sustainable environment and natural resource management and climate change management. In 2013, a second PEER revealed that from the 2005-2008 period to the 2008-2012 period Rwanda's environmental and climate change expenditures had increased from 0.4% to 2.5%;
 4. In June 2013, Rwanda passed the second EDPRS, further strengthening the connections between poverty and environmental targets.

One of the concrete outcomes from the PEI was the restoration of the Rugezi wetland ecosystem. As a result of the wetland restoration, the water level of the area rose, allowing the installation of a hydroelectric power station which provided job opportunities for rural residents. Alongside this, sustainable farming technologies and other income-generating activities were introduced which created additional social and economic benefits for the local population. To prevent similar wetland degradation in the future, in 2008 Rwanda passed a wetland protection law. The law set restrictions on activities within 50 metres of lakes and rivers, and regulates the types of activities permitted near the wetland. On behalf of the Rwandan Government, the REMA was presented with the Green Globe Award for its efforts in restoring the Rugezi wetland.

Through the South-South exchanges supported by the PEI, government delegates from Burkina Faso, Laos, Nepal, and Thailand were able to learn from the Rwandan experience and the successful implementation of FONERWA.

Case Study 4.3.5: PEI in Rwanda, Rubaya Green Village Pilot (UNDP-UNEP Poverty-Environment Initiative ,2015)

[Themes: Environment, Agriculture, Private sector involvement]

Building on the focus generated through the policy-level PEI work, in 2010 the rural village of Rubaya, in the hills of northern Rwanda was named as the country's first "Green Village". In partnership with Rwanda's Environment Management Authority (REMA) and other ministries including Local Government, Infrastructure and Agriculture, and under the leadership of the local women's-led cooperative, the PEI supported the adoption of a range of environmentally-sustainable approaches and technologies in Rubaya. Terracing and tree planting reduced soil erosion and deforestation which improved agricultural productivity and reduced flooding, siltation and water pollution from fertiliser run-off. New biogas plants have provided Rubaya with a clean source of energy, reducing smoke-related health problems from open fires and dependency on firewood, thereby reducing rates of deforestation. Rainwater, harvested and stored in reservoirs and underground tanks, is used for crop irrigation and household consumption. With these resources now available close at hand, women and children have more time to engage in other productive activities.

A 2017 cost-benefit analysis of the project demonstrated the cost-effectiveness of the green village. The village cost about USD 636,000 to construct, while annual running costs are about USD 22,000. Using conservative figures, the project will earn an internal rate of return of 5.8%, 7.7% and 8.9% over 15, 20 and 30 years respectively.

REMA is now working with government partners to promote the replication of green villages and green practices throughout Rwanda. Since 2016, all 30 district development plans in Rwanda have included provisions for the establishment of at least one green village. By the end of 2016, seven green villages had been set up countrywide. Indicators and a monitoring and evaluation framework to track implementation and impact have been put in place and the district mayors are responsible for ensuring the progress of this implementation.

4.3.5 The Poverty-Environment Partnership, “Getting to Zero”

The Poverty-Environment Partnership (PEP) (Poverty-Environment Partnership, 2016) was established following the 2002 World Summit on Sustainable Development, as an informal network of organisations committed to ending extreme poverty while ensuring the sustainability of the environment. It played an active role in organising and funding activities to achieve the MDGs. Following the global agreement on the SDGs in 2015, the PEP set a new challenge in the “getting to zero call to action”. “Getting to zero” means achieving zero poverty, zero net greenhouse gas emissions and zero net loss of natural assets. The PEP’s 2016 “Getting to Zero” report called for the following actions to be taken towards achieving the SDGs:

1. Increase empowerment and rights: recognising, empowering and engaging poor women and men so they can become effective agents and rights-holders;
2. Integrated institutions: developing integrated, inclusive and transformative institutions, including for collective action on multiple systemic risks and opportunities;
3. Inclusive finance and business: reforming private and public investment to better engage with the people and environments marginalised by current policy;
4. New messages and metrics: improving and aligning poverty, environment and climate messages, narratives and metrics to inspire widespread understanding of poverty, environment and climate issues and to galvanise and measure progress.

The “Getting to Zero” report also emphasised the following findings:

1. Due to glaring income inequality, poor people depend most on natural capital. They have demonstrated their ability to be good natural resource managers, but are also highly vulnerable to environmental damage and climate change;
2. While there is better awareness of the links between poverty, environment and climate problems, and glimpses of success in tackling them, enabling conditions are not often in place and progress has yet to match the scale of the problem;

3. Structural barriers limit progress in tackling the linked problems of poverty, environment and climate and integrated approaches are needed to break these and other barriers;
4. International commitment to the 2030 Sustainable Development Agenda has created a clear policy mandate for getting to zero.

Based on these findings and a review of global experience, four priority fields in the poverty-environment nexus can be identified:

1. At all levels of government, and in all sectors of work, improve policy coordination and management to create more favourable policies and mechanisms to address the cross-cutting poverty-environment challenges, so that policies focus on fulfilling the needs of the poor, including women and children;
2. Increase poor people's command over assets to increase opportunities for sustainable livelihoods, reduce poor people's vulnerability to the impact of environmental fragility and reduce conflicts following natural resource disasters;
3. Improve the quality of growth to promote sound environmental management and protect environmental assets as well as the opportunities for poor people's livelihoods;
4. Reform the policies of industrialised countries to reduce the environmental impact of transferring industries to developing countries and address the environmental impact and poverty that this transfer creates in developing countries.

4.3.6 Payment for Ecosystem Services and Poverty Alleviation (Based on UNDP, 2018)

Payments for ecosystem services (PES) occur when a beneficiary or user of an ecosystem makes a direct or indirect payment to the provider of that service. The idea is that whoever preserves or maintains an ecosystem service should be paid for doing so by the people who benefit. In contrast to the "polluter pays principle", PES follows the "beneficiary pays principle", compensating individuals or communities

whose land use (or other decisions) influence the provision of ecosystem services.

Ecosystems—forests, mountains, wetlands, agricultural land, freshwater—provide a variety of services that are economically valuable: fresh water supply for human settlements (e.g., by filtering the water from contaminants), irrigation and power generation, and storm protection and pollination.

Ecosystem services are grouped into four main categories: 1. provisioning services (the products obtained from ecosystems such as food and fresh water); 2. regulating services (the benefits obtained from the regulation of ecosystem processes such as air quality and pollination); 3. cultural services (the non-material benefits that people obtain such as spiritual enrichment, recreation and aesthetic experiences) that directly affect people; and 4. the supporting services needed to maintain the other services (such as photosynthesis and nutrient recycling). The provision of such services might require communities living in the proximity of the ecosystem to undertake or not to undertake certain activities. To complete these tasks in the absence of regulatory provision, the communities need a financial incentive. The Payments for Ecosystem Services (PES) is the mechanism that governs these payments.

In other words PES involves a series of payments to land or other natural resource owners in return for a guaranteed flow of ecosystem services or certain actions likely to enhance their provision over-and-above what would otherwise be provided in the absence of payment.

A well known international PES example is the long-term watershed conservation program of New York City, which provides a source of high-quality drinking water to over nine million consumers. The program also generated sizable savings for the city administration - it was funded at the cost of USD 1.5 billion compared to USD 8–10 billion estimated for the construction of a water treatment plant, thus freeing resources for investments in other social and environmental programmes. In China, over a six-year period, the Sloping Lands Conversion Programme (Schwarzer, et al., 2016) and Cropland to Forest Programme planted about 37 million hectare of trees. Over 50 million low-income Chinese households might have participated in PES schemes from the early pilots in the 1980s.

PES can thus support the conservation and expansion of ecosystems when the latter generate services that can be valued in economic and financial terms. For example, a beverage company can pay farmers to reduce the use of chemical pesticides instead of paying higher fees for water treatment facilities. PES can be labelled according to their geographical scale (local, regional and global), the structure of the compensation (direct and indirect / public and private), the type of ecosystem (forests, wetlands, etc.) they protect or the four types of services (see above) the payment is provided for.

Poor people inhabit many of the lands that generate key ecosystem services in developing countries, suggesting the opportunity of using PES to achieve multiple development-conservation outcomes. The opportunity is even higher for small landowners and/or communities in the low-income countries located in the tropics where biodiversity hotspots are concentrated. While PES are not primarily designed to reduce poverty, they can be oriented towards the achievement of social objectives, including poverty reduction. The Bolsa et al., Verde (Schwarzer, et al., 2016) programme in Brazil, is a good example of socially-oriented PES. Bolsa-Verde, provides annually BRL 1,200 (ca. USD 370) to families in extreme poverty that live in priority areas for conservation. Evidence of the impact of PES on poverty reduction is emerging. In Rwanda it was found that the extra income provided by the compensation scheme can act as an economic multiplier; it did not only advance the material standards of living of beneficiaries, but allowed new investment to increase land productivity. Similarly, PES-related land use changes can positively influence local communities' earnings indirectly through the creation of alternative businesses like eco-tourism, organic farming and sustainable harvesting. Land changes due to the implementation of the Cropland to Forest and Grassland programs in China were found to provide farm households with increased net profits. Therefore, in the short-term PES can provide increased cash income and facilitate exposure to alternative business activities or sustainable resource use practices (e.g., in Bolivia farmers participating in PES receive beehives and apicultural training). In the longer term PES can positively affect poverty reduction through improved resilience of communities and increased land productivity.

Costa Rica's Payment for Ecosystem Services programme has been called "something of an icon in the world of conservation". (Porrás, 2013) Approved in

1996, and launched in 1997, it has led to the reversal of the rapid deforestation that had been taking place in Costa Rica. Since the inception of the project, forest coverage in Costa Rica has increased from 20% to 50%. The main beneficiaries are hydropower companies, tourism companies and local farmers. Tourism companies also promoted local employment, which improved the livelihood of rural people in mountainous areas and achieved poverty reduction goals.

4.3.7 The Environment-Poverty Link in Urban Settings

As analysed in section 4.2 of this report, in the post-2020 years urban poverty will become a greater focus for Chinese policy makers. Environmental problems have a deep impact on urban poverty because the urban poor frequently suffer severe air and water pollution problems and often lack access to hygiene. An example in the East Asia region is that of Mongolia, where the population of Ulaanbaatar increased rapidly in recent years, mostly through the arrival of internal migrants who settled in peri-urban areas. One result of this trend has been a major worsening of air pollution, as these migrants live in homes heated by stoves and burn low-quality coal during the long winters. This is having a severe impact on the health of the poor population, especially of children.

Case Study 4.3.6: Reducing the Impact of Air Pollution on Poor Urban Children's Health in Ulaanbaatar, Mongolia (UNICEF Mongolia, 2016)

[Themes: Environment, Urban, Cross-departmental coordination, Children, Adolescents]

Ulaanbaatar is not only the coldest capital of the world, but it also has some of the worst outdoor air pollution levels during its long winter, resulting in health problems for its population. As children are one of the most vulnerable population groups the magnitude of these effects is disproportionately higher in this group.

Air pollution in Ulaanbaatar is caused by a combination of high emissions and its unique geography and climate. The city, which lies in a valley surrounded by mountains, has grown rapidly, with an influx of people from rural areas. These people settle on the outskirts, often erecting their gers (traditional circular felted tents) across the hills surrounding Ulaanbaatar. With limited access to basic social

services, people in these ger districts rely on coal-burning stoves to heat their homes continuously throughout the bitterly cold winter months (October–March), when temperatures drop as low as -40 C. This is the source of much of Ulaanbaatar’s pollution, with 70% of PM2.5 in the ger districts coming from these stoves, although power plants, vehicles, and industry also play a role.

Globally, indoor air pollution contributes to 4.3 million deaths each year, and over half a million of these are deaths of children under five. More than 50% of deaths among children in this age group are due to pneumonia caused by particulate matter. Children typically breathe at twice the rate of adults, and therefore are at very serious risk of respiratory disease when exposed to polluted air. Those living in the highly-polluted districts of Ulaanbaatar have a 50% lower lung function than children living in rural areas, with concrete risks of chronic respiratory disease later in life. Pneumonia is the second largest cause of infant and under-five mortality in Mongolia, accounting for 15% of infant deaths and it is strongly aggravated by exposure to air pollution. The poor children are weakened by illness, miss school days, lose physical capacity, and are therefore less likely to become productive adults and be able to escape poverty.

In response to this situation, UNICEF Mongolia organised a careful study of the impact of air pollution on these children, and has now proposed an important set of actions for the Government of Mongolia to pursue. The Asian Development Bank is providing funding for a major new programme to reduce urban air pollution and the Mongolian Parliament, Ministry of Health, Ministry of Finance, and Ministry of Environment and Green Development are working together with the Ministry of Energy to develop a detailed programme to provide poor households with less-harmful methods for heating their homes, even in the individual gers.

4.3.8 International Experience on Poverty Reduction through Environmental Protection and the Lessons for China

The 2030 Sustainable Development Goals are an integrated set of economic, social and environmental goals that place sustainability in all its dimensions at the centre of the global development agenda. Building on experience of recent decades, many innovative approaches have been developed to strengthen the understanding

of the linkages between environmental protection, growth and poverty reduction, and to incorporate these concepts into policy-making. Improved management of natural resources to protect them and the population groups dependent on them for their livelihoods, while tapping their potential for sustainable economic growth, can become an important modality for reducing poverty in China and the rest of the world.

Key lessons from international experience in environmental protection and poverty reduction include the following:

1. The earlier perception that environmental considerations are an obstacle to growth and poverty reduction has changed into a recognition of the many opportunities that improved natural environmental management offers for sustainable growth and livelihoods.

Through the development of green production and improved natural resource management, farmers' incomes can be increased, livelihoods improved, economic growth promoted and poverty reduced, while protecting the environment. The environment is fragile in China's remaining areas of extreme poverty. There is a strong connection between the cultural and natural heritages of those areas; both need to be carefully preserved as the foundation for sustainable development. Poverty alleviation through green production is a very effective poverty alleviation modality.

2. The poor have the greatest stake in overcoming and preventing environmental degradation and should be actively engaged in these efforts. They are part of the solution, not part of the problem.

Many of the successful case studies in this section highlight the importance of empowerment of the rural poor, and of motivating them through community-driven participatory approaches, in order to draw on their invaluable knowledge and skills rooted in the specific local conditions of their home areas. Building capacity to enable decentralisation of administrative power and strengthened self-organisation, self-management and leadership, and fostering the business abilities of the poor and poor communities, offers a path toward better environmental outcomes and sustained poverty reduction. The livelihood of the rural poor mainly depends on natural resources. Therefore focusing on diversified ecological

products and services is extremely important, both to prevent the detrimental impact of environmental degradation, and as a source of new and more sustainable income.

Environmental management approaches need to reflect the principle of prioritising the poor. Necessary supporting policies and mechanisms must be established, including access to information and decision-making and providing more opportunities for the poor to participate in environmental improvement, thereby increasing their income and providing them with more diversified livelihoods.

3. At the national level, green poverty reduction must be given top priority in poverty reduction in China's remaining poor rural areas.

In the final push to eliminate extreme poverty by 2020, one focus should be on both preserving and taking advantage of the rich natural resources of the ecologically fragile ecosystems in many of the remaining poor rural regions. Once China has eliminated extreme rural poverty, it should continue to build its poverty strategy around sustainable livelihoods, including climate change mitigation. China's development concept of "Lucid waters and lush mountains are as valuable as gold and silver", promotes green poverty reduction as the main model of poverty reduction and poverty relief, and a core component of the strategy is to ensure that the poor who have been lifted out of poverty do not fall back into poverty.

4. Environmental management cannot be separated from other economic and social development policies.

Environmental concerns must be taken as a priority across the full range of government ministries and agencies, not only those who are specifically focused on them. Sustainability should be integrated into all policy-making and all development strategies, policies and poverty reduction efforts, and fully reflected in budget allocations.

5. Strengthen the links between national policies and local development plans.

The core of the PEI initiative is to integrate environmental protection and poverty alleviation into national and regional development plans, to integrate green poverty reduction policies into national, regional and sub-regional development plans, and to reflect the elements of poverty reduction through environmental protection in policy design, budget decisions and implementation processes. Environment should become a

mainstream factor of economic development and an innovative model of targeted poverty alleviation, to ensure that the poor have been permanently lifted out of poverty.

6. With global consensus on the importance of biodiversity protection and climate change mitigation, the potential exists to make full use of the value of natural assets and develop green industry, which can be a core model of poverty alleviation and economic growth in the future.

China is currently exploring several innovative practices and industrial models for green poverty reduction, including organic agricultural production solar power, ecological compensation and tourism poverty alleviation. With decreased absolute poverty in China after 2020, green industry poverty alleviation will become the mainstream model of poverty reduction in China.

7. Payments for ecological services have become an increasingly important global practice and should be further developed in China as a means of capturing the true economic value of environmental protection and providing incentives.
8. As poverty increasingly becomes an urban problem globally and in China, addressing urban environmental degradation and reducing its impact on the urban poor will also become a high priority. China can draw on considerable international experience in this area.
9. China can make further use of global environment protection and poverty reduction initiatives to guide the effective implementation of environmental poverty reduction policies, both at national and local levels.

Numerous global initiatives have been designed and successfully implemented, such as the PEP and PEI highlighted in this Section. With the support of UNDP, UNEP and other UN and international institutions, these initiatives provide many useful modalities for achieving a win-win situation between the environment and poverty, through capacity building, empowerment of local communities, technical guidance and education, and in promoting sustainable growth suited to actual local conditions in regions with high rates of poverty.

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Chapter Five: Effective Poverty Reduction Programmes: International Lessons in Achieving the Largest and Most Sustainable Impact

Successful poverty reduction efforts start with strong government commitment and with the allocation of adequate resources. These are essential preconditions for achieving strong outcomes. However, as in any government programme, the key goals will not be achieved unless the effort is well designed and well managed; many of the most serious challenges arise during the implementation phase. Case studies in the previous chapters of this book have been selected to provide some useful examples of successful management of poverty reduction programmes in the diverse sectors we have reviewed, from which lessons regarding translating commitment into deep rooted and sustainable poverty reduction results can be derived.

Today, eradication of extreme poverty is one of the Government of China's highest priorities; national commitment and availability of resources are not obstacles to achieving this goal here. Some of the core governance challenges that will have to be overcome in this effort include:

- Effective accountability mechanisms in overseeing the management of Government funds and in monitoring the outcomes that the spending achieves;
- Strong efforts to prevent errors, fraud and corruption in the administration of anti-poverty programmes, which often control large flows of funds and in which corruption can easily arise;

- Strong coordination of efforts, both vertically, i.e., between central, provincial and various levels of local governments and horizontally, i.e., across different ministries and agencies whose work is all relevant to the programme;
- Carefully developed targeting mechanisms to identify the beneficiaries of programmes, including regular revisions of the poverty standards to reflect changing circumstances and China's UMIC status;
- Integration of poverty reduction into a broad range of Government programmes and planning;
- Outreach to and participation of communities and households in these programmes, including communications programmes to reach poor and marginalised population groups; and
- Partnership with civil society and private sector organizations in the work.

All these are challenges in implementing successful anti-poverty programmes, but in each there are useful lessons to be learned from international experience. One comprehensive Asian Development Bank study of poverty in the Philippines (2009) set out the following key recommendations for improving results in Philippines poverty alleviation efforts.

- Horizontal coordination.
The ADB pointed out that the cross-sectoral nature of poverty alleviation work requires effective coordination across many ministry-level agencies. The National Anti-Poverty Commission (NAPAC) was created to handle this coordination, but its authority seemed to overlap with the National Economic Development Agency (NEDA), the national planning agency, and NAPAC had difficulty playing its planned role. A high priority for improved poverty alleviation outcomes would be clarification of responsibilities and greater information sharing and cooperation between NAPAC and other agencies.
- Vertical coordination and stronger capacity at the local government level.
The most serious implementation challenges, including corruption, were found in Local Government Units (LGUs). ADB recommended capacity building in LGUs as well as a change in the block grants that were being

allocated to LGUs for poverty reduction to make them more performance-based, giving them incentives to achieve poverty reduction (and other MDG-related) goals.

- **Targeting and Monitoring and Evaluation.**

The ADB recommended improvements in the targeting methodology to make it more accurate and, vitally, more transparent. At the national level, they pointed out that allocation of funds to LGUs was often not based on their need, which should reflect the size and severity of the poverty problem. Instead allocations were based on other considerations, such as political influence, size of overall population, etc. They also pointed out the need for better targeting at the local implementation level. Their conclusion was that expecting LGUs to make these changes themselves, and monitor their own performance in implementing them, was not likely to succeed. They therefore recommended the engagement of local populations through participatory and Community-based approaches, and involvement of local civil society organizations.

- **Civil Society.**

The ADB recommended expanding the role of civil society as partners in the programmes, including in the delivery of services, and in community-based approaches and communications with beneficiaries. They also recommended an enhanced role for civil society as “watchdogs”, to monitor local government performance in anti-poverty work and, specifically, to speak out about corruption and other problems when they occur.

One common thread throughout this analysis is the need to strengthen the oversight of the use of Government funds, and avoid fraud, corruption and errors. Whenever large amounts of public funds are allocated, systems must be in place to ensure that the funds are used efficiently in order to achieve their intended goals.

Although China’s social policy and governance systems are very different from those of the Philippines, these recommendations hold considerable relevance for China. In this Chapter, case studies are presented which illustrate ways in which some governments, at times with the support of UN and other agencies, have confronted these challenges.

In the preceeding three chapters of this book many case studies were presented of projects that relied on innovative and successful approaches to the management challenges. For examples, Mexico's Prospera CCT Programme (Case Study 3.2.2 and 3.2.3) is widely studied for its approach to targeting, monitoring and evaluation and coordination. Argentina's and El Salvador's conversion of their separate targeted social insurance programmes into consolidated universal programmes required a great deal of careful coordination in both design and execution, and the creation of a slew of new monitoring and management systems.

The index of this book lists the Case Studies by both sector and by management theme, so that readers can locate Case Studies with particularly interesting approaches to the challenges listed above. This Chapter presents additional case studies on important management challenges.

5.1 Enhancing Coordination in Poverty Alleviation Work

Maintaining effective horizontal and vertical coordination is one of the greatest challenges in poverty alleviation. At the national level multi-ministry committees or coordinating ministries are often established, but the actual coordination of the main work of the participating ministries is generally difficult; poverty alleviation is seen as an additional task on top of their own responsibilities. Implementing effective cross-cutting programmes at the local level often proves impossible, as local officials work in vertical silos, each reporting within a different hierarchy to different higher-ups in the government, rather than to one local authority. Job descriptions and performance evaluation criteria at the local level generally centre around sectoral responsibilities and targets, and cross-cutting work is often not incentivized. Information flows across agencies is often difficult at all levels, as officials hoard information for their own internal use.

The following case study from the Brazil National School Feeding Programme is an example of successful coordination in the implementation of a major national poverty alleviation initiative.

Lack of adequate nutrition is one of the most serious consequences of poverty, and when a child of a poor household has an inadequate diet she grows up facing a major obstacle to a productive life. Schools are an excellent site to address this problem directly, and ensure that even poor children have at least one (or more) healthy meals every day.

Brazil is a world leader in this area. Because it is also a large continental country, with a diverse landscape and population, in some ways similar to China, it may have some useful lessons for China's poverty reduction efforts. Brazil's 'Programa Nacional de Alimentacao Escolar (PNAE) — the National School Feeding Programme, is a programme which has received support from the World Food Programme (WFP), and which is being used in South-South exchanges as a model in other developing countries in partnership between the WFP Centre of Excellence against Hunger and the Government of Brazil. In partnership with the FAO the Government implemented a project entitled "Strengthening School Feeding Programmes in the Framework of the Zero Hunger Initiative in Latin America and the Caribbean 2025", sharing the PNAE experience and adapting it to local conditions in other countries in the region. (FAO, 2018)

The PNAE is a universal programme that targets all school children other than those in private schools, including children in poor and minority areas. It is highlighted here because of its importance in its own right as a poverty reduction initiative, but also because it is a good illustration of how an ambitious programme was launched, coordinated across various ministries, managed strictly, and carefully monitored to ensure it achieves its goals.

Case Study 5.1: Brazil's National School Feeding Programme – the PNAE
(Drake et al., 2016)

[Themes: Nutrition and Food security, Cross-departmental coordination, Community-based approach, Children, Adolescents]

The PNAE has four main components: nutrition, local purchase, social development, and community participation. All of the components are embedded in the educational framework and the pedagogical objective, which are the basic pillars of the programme. The objectives of the PNAE are to: (i) provide in-school

meals (breakfast, lunch, and/or snack) that respect local eating habits of all public school children and students; (ii) provide at least 20% of the daily nutritional needs of students, and more if students take more than one meal in school; (iii) promote healthy eating habits through food and nutrition education; (iv) contribute to the growth, development, and learning capabilities of students; and (v) support sustainable development through the acquisition of food from local and family farmers.

In 2014, the PNAE covered 42,333,722 school children in 163,000 public, communitarian and/or philanthropic schools (kindergarten, pre-primary, primary, secondary, youth and adult education, indigenous, and slave descendant communities). The programme also targets children with special education needs registered in these schools. The PNAE targeted schools are either full time or on a shift basis (either a morning or afternoon attendance).

Based on the goals of the PNAE to build healthy food habits, the PNAE menus are diverse and change according to regions and local habits, all respecting a standard set of nutritional needs per child per day. The school menu is planned at the beginning of the fiscal year and reflects the local eating habits and preferences of the various communities. The menus are developed and supervised at the local level by qualified nutritionists appointed by the State or municipality who prepare menus for different school levels and groups. In Brazil, strong intersectoral co-ordination fostered linkages between school feeding, nutrition, education, social protection and programmes that support local family farming. This required strong national leadership at the State level. Coordination aims at maximising resources and improving policy and programme implementation. Partners openly discuss their programmes with each other and the influences they may have on each of the programmes. This promotes positive synergies and improves programme implementation.

Vertical coordination takes place across three levels of government: Federal, state and municipality (the local government unit in Brazil). Institutional capacity has been embedded and reinforced at all three levels.

Monitoring and evaluation of the PNAE is mainly carried out by National Fund for Development of Education (FNDE) technical staff together with

regional staff from the School Nutrition Centre. In 2008, a new monitoring system called SIM-PNAE was established. This system has been gradually developed, according to continuous evaluation of its results, and has been implemented in all municipalities since 2008. The SIM-PNAE assesses the budget transfer and all aspects of programme implementation (e.g.; food procurement procedures, school menu, and food safety) for each beneficiary school. Frequent inspections are made. If irregularities and/or improprieties are found, the FNDE informs the external control bodies as well as the FNDE internal audit unit.

By law, civil society has an important role to play in PNAE, especially in monitoring and evaluation of implementation. School Feeding Councils (CAE) must be established in all states and municipalities. The CAEs include one Government representative and two civil society representatives, all three of whom serve four-year terms. The CAE functions as an autonomous monitoring and supervisory unit, responsible for overseeing compliance with PNAE guidelines by states and municipalities; overseeing the use of PNAE funds reporting any irregularities or mismanagement in their use; monitoring food quality; and conducting occasional school visits.

The universalisation of school feeding in Brazil is based on successful decentralisation, where all levels of government are responsible for resource transfers for food procurement, including federal, states, municipalities and schools themselves. The establishment of operational guidelines for programme implementation, and monitoring and evaluation, are at the heart of the FNDE's role in school feeding. The fact that the programme is decentralised and implementing entities are at the local level, leads to different programme configurations across the country, in which a combination of implementation modalities exist. This also represents challenges, especially since some States and municipalities face infrastructure gaps and constraints to complement the resources for school feeding. Day-to-day implementation also faces problems in the supply chain logistics, such as inadequate transport and storage systems. The lessons learned from the Brazilian experience which may be of interest to other countries wishing to develop a sustainable school feeding programme are:

- Alignment with National Law and Policy: The PNAE is based on and

aligned with a number of key national laws, strategies and policies. In 2003 Brazil launched its widely praised “Zero Hunger” Campaign. School feeding is included within the human right to adequate food, which has been included in Brazil’s Constitution since 2010. The PNAE itself was established by the PNAE Law of 2009, establishing the institutional framework, including cross-sectoral coordination and involvement of civil society. A major hallmark of Brazil’s experience is that Law No. 11.947 of 2009 (Presidência da República, 2009) guarantees that full information on the school feeding programme is disseminated from all government offices and to all stakeholders.

- Strong intersectoral co-ordination and collaboration: The PNAE involves different stakeholders from education, agriculture, health, social development, planning and other stakeholders on programme implementation. This coordination is mandated by national law, as mentioned above. Cross-cutting discussions occur at the central level to ensure collaboration between ministries and civil society.
- Strengthened links between school feeding and local purchases from smallholder farmers: Legislation has guaranteed that at least 30% of funding is earmarked for local purchases from smallholder farmers. Despite the challenges in implementation, the legislation has created a large demand for produce from smallholder farmers and has resulted in healthier and more nutritious food for students.
- Community involvement and awareness: Community oversight through the CAE is another successful component of the Brazilian experience, including in monitoring the use of PNAE funds by local government and in assessing compliance with PNAE nutritional and other guidelines.

The PNAE case study is an example of effective coordination, but clearly it is also relevant to other aspects of programme management.

Part of what made the PNAE successful was that it was embedded in broader national strategies, especially Brazil’s “Zero Hunger” strategy and their Constitutional guarantee of a right to adequate food. One frequent problem in poverty alleviation work is the failure to integrate poverty work into overall

development strategies, at the national, provincial or local levels. As has been emphasized, when poverty alleviation is treated as a sectoral programme, rather than a cross-cutting one, it is unlikely to achieve its desired results. The following is a case study of a UNDP project that factored this in fully and achieved impressive results:

Case Study 5.2: UNDP ART Programme in Lebanon (UNDP China)

[Themes: Agriculture, Finance, Eudcation/Training, Health, Cross-departmental coordination, Private sector involvement]

Through the implementation of its ART initiative (Articulation of Territorial Networks for Sustainable Human Development, a global programme implemented in more than 20 countries (UNDP, 2018) in Lebanon, UNDP worked to empower local authorities and local communities to participate in the planning and implementation of development processes. The programme covered four areas of the country characterised by high poverty rates and severe socio-economic problems. ART facilitated the formation of working groups that convened all community stakeholders to identify local development needs. Based on those needs, programme interventions and activities were further elaborated. The programme also successfully set up local economic development agencies in these four regions to help small- and medium- enterprises, cooperatives, youth and women, through the provision of technical assistance and the facilitation of access to credit. Consequently, nearly 200 projects across numerous sectors, including agriculture, environment, health, education, governance and local economic development, have benefited the target population. Over 150,000 people benefited from enhanced access to public health care services; some 40,000 youth became engaged in economic activity; approximately 2,000 farmers received technical assistance in reducing production costs, increasing the quality of their produce and overcoming post-harvesting barriers; and around 954 newly-elected mayors and municipal council members underwent training on governance issues and are now better equipped to plan and implement development projects.

5.2 Improving the Targeting of Poverty Alleviation Programmes

For poverty alleviation and other social policy systems to operate efficiently and fairly, a carefully designed and administered targeting system is essential. Inaccurate targeting undermines the effectiveness of any programme of benefits, by not providing necessary assistance to households who need it and are entitled to it while providing support to households whose need is much less. It also undermines the credibility of the programme, and can give rise to suspicions that funds are allocated by non-poverty criteria, including by corruption. As poverty in China shifts increasingly from rural to urban settings, with the greater mobility of social assistance beneficiaries, the need for robust and transparent targeting systems is certain to grow.

Two aspects of improved targeting are highlighted here. First, international experience in revising poverty standards in UMICs and in developed economies is examined. These are the rules that define who is poor and who is not, for purposes of government policy. Second, international experience in applying those standards in transparent and systematic ways is discussed, i.e., how policy makers try to accurately target poor households as they implement anti-poverty programmes.

5.2.1 Setting Poverty Standards – Recent Trends and International Experience

As countries develop economically the expectations of their populations increase, and social cohesion and equity concerns mandate regular increases in poverty lines beyond the global extreme poverty line set by the World Bank. These changes have taken various forms; in some cases setting income and consumption-based lines based on more complete baskets of goods reflecting shifts in consumption patterns of households as income rises, and with more sophisticated methodology. In other cases countries have incorporated multi-dimensional poverty measures into their official definitions of poverty (see Case Study 4.2.1 regarding such steps already taken in urban areas of Vietnam). In addition many

countries, especially advanced economies, now use relative poverty measures to identify their poor households.

Case Study 5.3: The New World Bank Poverty Lines for Middle and Upper Middle Income Countries (Pritchett, 2017)

[Themes: Targeting, Monitoring and evaluation]

In October, 2017 the World Bank announced that it would start measuring global poverty using three different income lines:

- USD 1.90/day - the absolute poverty line, the only line to be used in 33 lower income countries
- USD 3.20/day - for 32 lower middle income countries
- USD 5.50/day - for 32 upper middle income countries

The World Bank has already started applying these new standards in its global poverty measurement, and their next Global Poverty Update will report according to all three measures. The reason for this change is that as countries develop, the goods and services that households require change, and the costs of goods become higher. Of course these higher lines will give much higher estimates of poverty incidence. For example, for South Asia, the total poverty headcounts in 2013 for the three lines are: 249.1 million (USD 1.90/day), 883.1 million (USD 3.20/day) and 1,413 million (USD 5.50/day). (World Bank, n.d.)

Three important facts should be noted about this change. First of all, for the purpose of measuring progress toward global SDG-1, the traditional absolute USD 1.90/day poverty line will be applied. That is the only line that can be used to aggregate poverty headcounts across all countries, and allow comparisons with pre-2015 levels.

Second, the new LMIC and UMIC lines are group medians, i.e., there are some countries in those groups whose national lines, set by the same methodology, would be higher or lower. They do not provide a precise measure of poverty in any individual country.

Third, despite the shortcomings, these new lines are widely seen as appropriate for the new global economy, in which absolute poverty has fallen sharply in many countries. They will allow comparisons between and within income groups, and will give a clearer picture of how countries who have moved to UMIC status are progressing after eliminating all or most absolute USD 1.90/day poverty.

**Case Study 5.4: Poverty Measurement in Argentina (MercoPress, 2016)
(Buenos Aires Informer, 2017)**

[Themes: Monitoring and evaluation, Private sector involvement]

Argentina's principal poverty line is an income-based line that is modified regularly based on changes in the price of a Basic Food Basket (CBA) and a Total Basic Basket (CBT) that includes non-food expenditures. (INDEC, n.d.) The number is calculated by the National Statistical Office (INDEC), and incorporates several important features to make it as accurate as possible.

First, CBA poverty line values are calculated differently according to family size and composition. A poverty line for a reference family can be constructed and adjusted to other family types or structures. Alternatively, different poverty lines may be built separately for each family structure. These take into account economies of scale, i.e., the cost of some items which only increase by small amounts when household size increases, for example electricity use. They also take into account the age structure of the household, with different expected consumption patterns. Multipliers are applied to different members of a household to convert to one standard consumer.

This methodology also allows different lines to be drawn for urban and rural households, because of different consumption patterns and price levels in the two very different settings.

In 2016, INDEC published its "basket" estimates for the first time since 2013. According to the estimate, an Argentine average household consisting of a couple with two children, six and eight years old, needs ARS 12,489 (approx USD 820) per month to remain above the poverty line. The same household will have to pay ARS 5,176 (approx USD 340) for its CBT, and stay above the extreme line. At the

same time, non-government think tanks, most importantly the Catholic University of Argentina, have released their own research on poverty levels, in response to politicisation of the poverty rate data in recent years. They found considerably higher poverty levels than the Government had previously indicated, leading to a decision to review INDEC's methodology and findings. (Public Radio International, 2017)

Case Study 5.5: Mexico's Use of Multi-dimensional Poverty Lines (CONEVAL, n.d. (a))

[Themes: Cross-departmental coordination, Monitoring and evaluation]

Mexico was one of the first countries to adopt a nationwide multi-dimensional poverty line (MPL). This was developed by Mexico's National Council for the Evaluation of Social Development Policy (CONEVAL). Poverty is measured at national and state levels every two years, and every five years at the municipal level.

This approach factors in social deprivations, not only income, in identifying poor households and in assessing the severity of their poverty. The deprivations that are assessed include lack of education, lack of access to health services, lack of access to social security, housing with inadequate quality or insufficient space, lack of basic housing services and lack of access to food.

The Mexican Government defines the multi-dimensional poor as those “who are deprived in at least one of the social dimensions and whose income falls below the well-being threshold, calculated as the income needed to afford basic food and non-food baskets of goods and services”. (CONEVAL, n.d. (b)) They also define a group of the extremely poor, defined as those whose income falls below the minimum well-being threshold and have three or more social deprivations. The multi-dimensional poor are moderately poor, while the extremely poor are the poorest of the poor.

The Government also uses the MPL to identify vulnerable groups, defined as those who either lack sufficient income or suffer from at least one deprivation. The ultimate goal of their poverty efforts is to eliminate both multi-dimensional poverty and vulnerability.

For the year 2012, CONEVAL defined the income-based component of poverty (their well-being threshold) as those surviving on no more than USD 177 per month in cities, and USD 113 per month in rural areas. The exact level adjusts over time with the level of inflation for the basic basket of goods (CBA) needed to fulfil a household's needs. The benchmark income for extreme poverty (minimum well-being threshold) was USD 85 in cities and USD 60 per month in the countryside.

Use of the MPL allows observation of poverty dynamics over time and across dimensions. It is also possible to make geographical comparisons to detect regional inequality across sectors. As a conceptually new approach, it complements income-based poverty lines used by CONEVAL, although the results produced by the two lines cannot be used with each other to compare different regions or periods.

Three types of income poverty are identified: food poverty, capabilities poverty and patrimonial poverty. Food poverty is the most fundamental, meaning lacking income to obtain a food basket. Capabilities poverty builds on the food poverty, meaning there is not enough income to cover a certain basket of food, and expenses in health and education. Patrimonial poverty is more advanced, and is defined as not having sufficient income to cover a certain basket of food and expenses in more social services in addition to health and education, such as clothes, housing and transportation. Roughly speaking, patrimonial poverty is analogous to MPL, and food poverty resembles extreme poverty. However, because of the differences in products used to construct the income component of the MPL and income-based approaches, the two are not directly comparable. The former food basket was constructed in 1992 while the latter was established in 2008. (Silva, 2013)

Case Study 5.6: Poverty Measurement in Upper Income Countries (Estonia Statistics, n.d.)

As countries attain Upper Income Country (UIC) status, absolute poverty is in almost all cases entirely eradicated. Applying the World Bank USD 1.90/day line would be meaningless in a UIC; the World Bank's new global poverty lines include a UIC line of USD 21.70/day to allow comparisons across income groups, but it is highly unlikely that this line will be used by any countries to assess their own

poverty rates. Instead, virtually all UICs use relative measures to measure and identify poverty, and determine eligibility for government assistance.

The country of Estonia is an interesting example, because it attained UIC status fairly recently, and is now a member of both the OECD and the European Union, both of which have poverty standards that all members must meet. (Estonia Statistics, n.d.) Estonia's national poverty line is evolving along with its political and economic status. When Estonia was part of the Union of Soviet Socialist Republics its poverty measurements were the responsibility of the State Planning Office. Now as a member of the EU and OECD it has had to rapidly establish entirely new poverty definitions and statistical systems.

Measure	Metric of well-being (x_i)	Poverty line (z)	Aggregation
At-risk-of poverty rate (AROP)	Equivalized disposable household income	60% of median household income	FGT ($\alpha = 0$)
Relative median at-risk-of-poverty risk gap	Equivalized disposable household income	60% of median household income	Median poverty gap
Early school leavers	Educational level	Having only lower secondary education or less	FGT ($\alpha = 0$)
Long-term unemployment rate	Duration of unemployment (reverse)	≥ 12 months	FGT ($\alpha = 0$)
People living in jobless households	Share of eligible persons with paid job in households	$= 0$	FGT ($\alpha = 0$)
Self-reported unmet need for medical care	Receiving medical care when needed (binary)	n.a.	FGT ($\alpha = 0$)
At-risk-of-poverty rate anchored at a fixed moment in time	Equivalized disposable household income	60% of median household income in 2005	FGT ($\alpha = 0$)
In-work at-risk-of-poverty rate	Equivalized disposable household income	60% of median household income	FGT ($\alpha = 0$)
Persistent at-risk-of-poverty rate	Equivalized disposable household income	60% of median income in 2005 in current year and two of the three preceding years	FGT ($\alpha = 0$)
Employment gap of immigrants	Employment (binary)	n.a.	FGT ($\alpha = 0$), difference between immigrants and non-immigrants
Material deprivation rate	Number of items lacking (i.e. not able to afford if not possessed) out of 9	≥ 3	FGT ($\alpha = 0$)

The EU has a diverse set of poverty indicators. Its basic, or “headline” indicator, is still a relative poverty measure: 60% of median household income. However, as the EU expanded and accepted new members whose per capita income was considerably lower than the original members, it was felt that some additional absolute measures were also needed to allow meaningful cross-country aggregation and comparison. For this purpose, the EU also established a set of 11 key multi-dimensional poverty indicators. Any household in any member country which suffers from three or more deprivations from this list is classified as poor, including early school leavers, having only lower secondary education or lower; the unemployed, duration of unemployment (if greater than 12 months); and self-reported unmet need for medical care.

Case Study 5.7: Colombia’s Unified Vulnerability Targeting System (ILO, 2017b)

[Themes: Targeting, Monitoring and evaluation]

Colombia is the second most populous country in South America, with a population of 48.6 million. GDP per capita is USD 5,805 and life expectancy is 74.7 years. The poverty rate has fallen sharply in the last ten years, and in 2014 was 28.5%, using the official national poverty line of roughly USD 4/day; using the international USD 1.90/day line poverty in 2015 it was 5.5%. Income distribution is very unequal, with a Gini coefficient of 53.8 in 2014, among the highest in the world.

During the 1990s, the Government shifted public subsidies from the supply side of social and health services to the demand side, making it necessary to identify target groups that would receive subsidised social protection. A unified vulnerability assessment and identification system for social assistance was established, the System of Identification of Social Programme Beneficiaries (SISBEN), which produces a household vulnerability index that is used to identify the beneficiaries of social assistance programmes.

Progressively implemented since 1995, SISBEN is based on data collected by the country’s 1,101 municipalities and districts. In 2013, ten institutions running several social protection and employment programmes were using SISBEN to

identify potential beneficiaries.

In 2014, the SISBEN database held information on more than 34 million people, more than 70% of the national population. The use of such a common system to assess vulnerabilities and identify potential beneficiaries can contribute to improved coherence across social protection programmes. It also helps improve the transparency and traceability of social protection system administration since entitlements are determined using a transparent methodology.

By establishing one common mechanism to assess vulnerabilities and identify beneficiaries, social protection programmes were able to develop a more reliable identification system at a lower administrative cost. Local governments are invited to play an important role in collecting the data used to develop and update SISBEN. The system has therefore fostered collaboration between national and local institutions.

Since its creation in 1993, SISBEN has gone through three versions. The latest version (SISBEN-III) comprises three components: a socioeconomic survey to collect data, a welfare index to assess vulnerabilities, and software to estimate an index score for each household.

The SISBEN Welfare Index is defined by the National Planning Department (NPD). Based on the Index, each household receives a score from 0-100 (from poorest to richest). The score is calculated using 24 variables across four dimensions: health, education, housing, and vulnerability. Scores and variables are adjusted according to household location (main cities, urban areas, and rural areas). The vulnerability assessment takes into account two perspectives: (i) that of the individuals and households, and (ii) that of the context in which they live.

SISBEN targeting criteria and definitions are set at the national level, and the programme is administered at the decentralised level. Municipalities/districts are responsible for the management of SISBEN in their territories through ad-hoc committees. Departmental coordinators liaise between NPD and municipalities/districts. The data collected at the local level are compiled in a national database, which is updated every month. This guarantees consistency of data at any time and everywhere.

Municipalities and districts are responsible for data collection. They use two types of surveys: sweeping and on-demand. Sweeping surveys are similar to the census and are based on a door-to-door approach in the poorest geographical areas and neighbourhoods. The sweeping surveys are used to build the initial database and should be conducted every three years. People can update their data at any time through the on-demand survey when they need to correct names, add or remove household members, or to request a new assessment of their vulnerabilities.

Social programmes using SISBEN receive the national aggregated database from NPD. Based on their available budget and policy design, the programmes set the maximum eligibility score that will be applied and may choose additional eligibility criteria or qualifying conditions. By applying the score barrier, criteria, and conditions to the database, the SISBEN delivers a list of potential beneficiaries. In 2013, ten institutions, including the Ministry of Health and Social Protection, Ministry of Labour, Ministry of Agriculture, Ministry of Housing, Colombia Institute for Family Welfare, and the National Ministry of Education, used the SISBEN to identify potential beneficiaries.

Another important innovation in more effective targeting and management of cross-cutting poverty alleviation programmes is the move towards single registries, in which recipients of all the major social programmes are registered. This has served many purposes, such as improving the accuracy of the identification of eligible households in order to avoid both errors of exclusion (eligible households not receiving the benefits they are entitled to) and inclusion (ineligible households receive benefits they are not entitled to); simplifying administration; and creating conditions for continued reform and improvement in the overall benefit system.

Case Study 5.8: The Single Registry as a Tool For Coordination of Social Policies – Brazil Experience (Direito, Koga, Lício, & de Paula N. Chaves, 2016)

[Themes: Finance, Cross-departmental coordination, Monitoring and evaluation]

Brazil has been a pioneer in the use of the single registry approach for coordinating social policies. In 2006, the Government launched the Bolsa Família

Conditional Cash Transfer Programme which was built around the use of a single registry. Since that time, the Single Registry for Social Programmes, which was first created in 2001, has proven to be an essential instrument in the success of the Bolsa Familia, as well as a tool for coordinating social policy and facilitating the rapid scale-up of additional poverty reduction and social policy efforts. Efficient administration and good targeting has enabled Bolsa Familia to achieve its success at a remarkably low cost, around 0.6% of GDP.

The Single Registry is defined as a tool for the identification and socio-economic characterisation of Brazilian low-income families, and by law its use is mandatory for the selection of beneficiaries and integration of social programmes of the federal government geared toward such families.

The implementation network of the Single Registry is managed by the Ministry of Social and Agrarian Development, which is responsible for entering and updating all information on the Registry. This is done by its state and municipal level management offices. The network is vast; a decentralised framework present in all 5,570 of Brazil's municipalities, and with 26 million registered households. As Brazil's anti-poverty and other social programmes expanded in recent years, they were all, as required by law, entered in this Registry. From a different perspective, the existence of this Registry made the launch of these new programmes much less costly and administratively less complex.

The Registry is a tremendously useful tool for the Government in maintaining information about its low-income population, about all the programmes they are enrolled in, and provides a basis for coordination and, when needed, expansion of those programmes.

The importance of the Registry is illustrated by its current coverage: 27 federal programmes of five distinct types.

- Social assistance: Programmes provide financial aid, temporarily or for an indefinite period, paid with the Bolsa Familia bank card or social card. User programmes must have their own agreements with an operating agent (usually a bank) to facilitate payments;
- Discounted fees and contributions: programmes grant discounts on social

security contribution payments and fees, to expand access to social security rights and certain paid services;

- Credit rate reduction: programmes offer access to credit with reduced interest rates for construction and acquiring real estate;
- Social technologies and infrastructure: programmes offer social technologies and other means to improve the living conditions of poor households;
- Social services: programmes offer important services to develop the potential of poor households.

5.3 Improved Monitoring and Evaluation of Poverty Alleviation Programmes

Monitoring and evaluation is a critical component of any programme; poverty alleviation programmes are no exception, and as the importance of poverty reduction increases steadily the need for effective monitoring and evaluation increases accordingly. The Brazilian school-feeding case study above presents innovative approaches to this challenge, as do others, such as many other case studies presented earlier in the book. A useful case study from the education sector is presented below. It pertains to the monitoring and evaluation of the implementation of a national programme to make education more inclusive of children from population groups frequently excluded in the past.

As discussed in the education section of Chapter 3, effective national policies to promote inclusive education are an important step in poverty alleviation. However, ensuring that they are being fully implemented at the local level is a great challenge for education authorities. One key to successfully addressing that challenge is a monitoring and evaluation system that tracks the impact of policy changes.

An interesting example of how one government is working on monitoring and evaluation can be found in Serbia, where the Government is working with UNICEF. Today, children in Serbia have better access to education than they did ten years ago, and schools enrol more and more children who did not have access

to the education system. However, many children from socio-economically underdeveloped areas and children from vulnerable groups remain excluded. Many children from these vulnerable groups leave school early, while some do not attend at all. The school dropout rate in Serbia is the highest among children with mental disabilities, children living in poverty, children from Roma settlements and children from remote areas.

The primary school completion rate is: 93% of all children, 66% of poor children and 64% of children from Roma minority settlements. Only 74% of the poorest children and only 22% of children from Roma settlements attend secondary school.

To address this situation the Serbian Government, with UNICEF support, launched an inclusive education initiative. The programme is designed to prevent the drop-out of children from schools, increase the enrolment of Roma girls in secondary school, encourage the inclusion of children with disabilities in the education system, and improve equity in education. The programme's activities are aimed at increasing the capacities of teachers and other school personnel to implement inclusive education; supporting local inter-sectoral committees to provide children with additional educational, health care and social assistance; and encouraging parents from vulnerable groups to become actively involved and seek rights for their children. Because deep-rooted attitudes play an important role, the Government understood the need to closely monitor the outcomes that were being achieved. The following case study examines how this was accomplished.

Case Study 5.9: Monitoring of Inclusive Education Achievements at the School Level in Serbia (Social Inclusion and Poverty Reduction Unit and UNICEF, 2014)

[Themes: Education/Training, Monitoring and evaluation, Children, Adolescents]

Inclusive education was originally introduced without a defined framework of benchmarks, expected results or indicators. Because Serbia has no unified education information system, obtaining disaggregated data at the pupil level, or tracking progress by background variables, particularly relevant for monitoring vulnerable

groups, was not possible. Equally, the roles and responsibilities for monitoring of inclusive education were not defined.

The introduction of inclusive education in Serbia was followed by several attempts to monitor its progress and eventual impact. However, these were fragmented and largely project-based, using different methodologies and preventing data aggregation. In addition, without clearly defined national benchmarks and expected results, it was not possible to strategically assess the progress achieved or to identify critical areas needing programmatic attention. Therefore, Serbia undertook a major effort to develop a monitoring framework for inclusive education that began with a desk review of laws and policies regarding inclusive education, as well as an analysis of the existing monitoring information systems, focusing on how well these could be used to generate indicators for inclusion.

The institutional framework for monitoring education in Serbia includes an inspectorate, pedagogical supervision, external evaluations of school performance, school self-evaluations, academic institutions and a national database generated by the national Education Monitoring Information System. The framework consists of indicators at school, municipality and national levels that are, to a large extent, correlated with each other in order to make it possible for information to flow both bottom-up and top-down. The framework and the indicators included were inspired by a review of a number of systems in developed countries in the analytical review that informed the reform. Each level of the framework has a set of input, process, output and outcome indicators that are designed to provide information that the national, municipal or school level require to undertake policy actions.

All indicators in the framework are coupled with clear suggested instruments for their assessment. For most indicators, mechanisms are designed for use by all key beneficiaries, such as questionnaires for schools, teachers, parents of children from vulnerable groups, the students themselves, as well as observation protocols and check lists.

The new indicator system cannot be implemented overnight, and a plan is being developed for how the present monitoring framework can be used during the transition to the future one. A long-term plan is also needed to develop the capacity to produce the full set of indicators, and to designate key individuals (or units) to

coordinate the collection, processing and dissemination of the data, and to ensure that adequate training is provided.

The Serbian Government has recognised that such a system is essential if traditional attitudes are to be overcome, and continues to focus on the future challenges that the implementation of this monitoring system will bring.

Rigorous monitoring and evaluation are an essential component of the Serbian Government's effort to change a deep-rooted pattern of exclusion in education, which has been an important underlying cause of high poverty rates in some population groups. This holds lessons for other governments who are striving to increase inclusivity in poverty alleviation and other social services.

5.4 Preventing or Reducing Corruption in Anti-Poverty Work

Whenever large amounts of public funds are allocated, systems must be in place to ensure that the funds achieve their intended goals. Given that China is planning to devote a large quantity of resources for poverty alleviation in the coming years this challenge must be addressed on an urgent basis.

The link between poverty and corruption is a topic widely-discussed in development economics. Much of that discussion has focused on corruption in infrastructure investment, such as water projects, which have frequently failed to deliver the needed benefits to their populations, due to lack of transparency and ethical standards in contract awards and monitoring. However, the impact of poor management of poverty alleviation programmes on poverty, such as social protection schemes, is also a very serious problem in many countries.

The Asian Development Bank study of poverty in the Philippines, cited at the beginning of this Chapter noted that: "The impact of corruption on the poor can be determined through its direct impact (increased costs of social services, reduced quality of social services, poor infrastructure, and restricted access to basic services such as water, electricity, health, and education) and indirect impact (by redirecting

public finances away from social sectors and constraining economic growth and poverty reduction).” (Asian Development Bank, 2009, p. 75)

That ADB study went on to say: “Administration of direct anti-poverty programmes - such as land tenure, food, credit, and housing subsidy programmes - has been challenging, and many programmes have experienced high leakages to the non-poor, high administrative costs, and unintended rent-seeking processes.”

The World Bank conducted detailed research on “Errors, Fraud and Corruption” (EFC) in anti-poverty programmes, and has been providing technical assistance to a number of countries who seek to tackle these problems. The World Bank defines EFC as follows (Van Stolk & Tesliuk, 2010):

“Fraud refers to intentional behaviour on the part of the benefit claimant to defraud the benefit system. The main causes of fraud are benefit claimants being deliberately dishonest on benefit forms, claimants deliberately exploiting the system by providing a false identity, and the complexity of the benefit system, which offers opportunities and incentives for claimants to defraud the system.

Error refers to unintentional mistakes on behalf of benefit claimants or staff in the benefit office. Some causes of error are the absence of staff training, the failure of systems to process or pay benefits applications, and again the complexity of the benefit system, which means that customers and staff can make mistakes in dealing with complex or complicated processes.

Corruption refers to an intentional attempt by staff to exploit the social protection system.”

It should be clearly noted that “Error” here does not refer to targeting mistakes. The accuracy and inefficiency of a programme’s targeting mechanism is dealt with by other methods and other expertise. The focus in the case studies presented in this section are the errors that occur when processing benefits for individuals who have been identified as eligible.

The World Bank study identified several ways in which corruption arises in social safety net programmes:

- Exploitation of design aspects of the programme (e.g., lax eligibility rules and absence of independent monitoring) by staff administering the social protection programme;
- Collusion between staff administering social protection programmes and the claimant;
- Staff taking bribes or favours to enrol individuals in the programme; and
- Collusion between staff processing benefit claims and those paying out benefit claims.

The following two case studies are drawn from the World Bank study mentioned above. The first is from Bangladesh, where existing systems to prevent EFC were quite basic, and illustrates some core principles in how to systematically address this problem.

Case Study 5.10: Bangladesh, Reducing EFC in the Employment Generation Programme (EGP) (Van Stolk & Tesliuk, 2010, pp. 36-38)

[Themes: Financial management/Corruption, Monitoring and evaluation]

The Government of Bangladesh requested assistance from the World Bank to assess EFC and the options for reducing it in the EGP. Despite the absence of concrete information about problems, due to the weakness of monitoring and detection systems, both the Government and the World Bank team were sure that the problems were serious.

The World Bank team found that the procedures and systems within the EGP for combating EFC were quite weak, reflecting an overall lack of strategy for dealing with EFC. Monitoring was ad hoc and inconsistent, relying on periodic progress reports rather than internal audits or systematic inspections. There was also a lack of capacity in both how to identify and correct EFC, and in the existence of systems to generate the necessary information with which to do so. The team therefore recommended several basic steps to rectify the situation:

1. Reducing the ad hoc nature of the programme by emphasising pre-planned and confirmed systems, so that EFC are less frequent due to greater

- transparency and reduced flexibility. This has the additional benefit of increasing the overall speed and efficiency of programme implementation;
2. Increasing programme transparency by establishing clear guidelines for local officials regarding the objectives of the programme, the eligibility criteria and rules for selecting projects and their budgets;
 3. Streamlining programme administration; reducing the layers of government involved to speed up cash transfers and reduce leakages due to fees, errors and corruption;
 4. Separating administration, payment, and monitoring functions, to increase accountability and reduce conflicts of interest;
 5. Providing a sufficient budget for programme implementation costs, such as travel expenses, to reduce the risk of corruption and make clear to local officials the importance the Government places on the proper implementation of this programme;
 6. Using modern ICT mechanisms to transfer benefits directly to recipients and reduce errors and leakages;
 7. Empowering local beneficiaries to assert their rights and speak up regarding any problems, including corruption, during programme implementation at the local level.

The World Bank report also focused on the EFC challenges in Conditional Cash Transfer programmes. These are all extremely large, nation-wide programmes where the consequences of ineffective methods to avoid EFC would be enormous; in fact, it is quite likely that the programmes would not have survived had the population not been confident that their government was making every effort to prevent EFC.

Case Study 5.11: EFC in CCT Programmes in Latin America and the Caribbean (Van Stolk & Tesliuk, 2010, pp. 38-39)

[Themes: Finance, Financial management/Corruption, Monitoring and evaluation]

The earlier discussion of CCT programmes emphasised how effective they have been in reducing poverty and promoting human development in many

countries. Because they are more complex than simple unconditional cash transfer programmes they also impose a greater administrative burden, and present additional opportunities for fraud and corruption. The World Bank conducted an in-depth review of the systems used by governments to avoid these problems in CCT programmes, including studies of the Mexican Progresa CCT, and the Familias en Accion CCT in Colombia.

The main systems in place to reduce EFC in Mexico's Progresa emphasise the use of convenient clear procedures, clear communications with beneficiaries, effective means for citizens to file complaints, and transparency in targeting and monitoring. Specific anti-EFC measures include:

1. A comprehensive system for receiving and acting on complaints. If a beneficiary encounters any difficulties in receiving payments there are convenient "mobile boxes" immediately available for them to file a complaint. The Government monitors the handling of complaints by administrators, and the effectiveness of following up on complaints is one of the criteria by which administrators' performance is assessed;
2. The programme proactively reaches out to programme beneficiaries and providers through semi-annual surveys, called "sentinel points", to assess compliance with all procedures;
3. When families enrol in the programme a specified set of information must be shared with them regarding their rights and how they can report any problems they encounter. This right of the citizen to monitor programme performance is part of the Government's "citizen's report card" initiative;
4. The programme data is systematically published, including evaluation results, which makes the data and the operating procedures and regulations of the programme available to the public. Data is gathered through surveys by independent sources, rather than relying on Government self-reporting.

The Colombian CCT Familias en Accion programme includes a number of mechanisms to reduce EFC. The structure of the Colombian Government is highly decentralised and specific anti-EFC mechanisms are in place at different government levels.

At the national level, the Government has a system which conducts surprise spot-checks of the programme's implementation by various local governments. These are conducted by independent firms to avoid the conflict of interest inherent in self-reporting; views are solicited from beneficiaries and providers, and the records of the programme offices are reviewed.

Also at the national level, the programme makes it as convenient as possible for citizens to submit complaints about problems or claims of corruption and fraud. Procedures are in place for reviewing these complaints, whether submitted by mail, digitally or by phone; indeed a special call centre has been established to receive phone complaints. The Programme Management Information Systems automatically record all complaints, and programme administrators' job performance is assessed in part on how quickly and responsively they handle them.

At the local level, the programme has created committees responsible for reviewing and handling complaints and appeals, including those of ineligible individuals who incorrectly received benefits. Each local government must enter into a contract agreement with the National Programme specifying the full set of their programme responsibilities. The Government can suspend any local government's participation in the programme if they are found to have violated their contract by engaging in fraud or corruption.

A particular finding from the World Bank report has implications for China. The studies revealed that developing countries are more concerned about corruption than about fraud and errors, while in developed countries the situation is exactly the opposite. An international study of social security systems by the British National Audit Office in 2006 included reviews of programmes in nine OECD countries; none reported problems with corruption. As China continues its development and transition into Upper Income status, one benchmark in its social protection programmes could be that transparency and financial management have improved to such an extent that corruption is eliminated, and only fraud and errors are concerns.

5.5 Enhancing the Capacity of Local Governments to Achieve Poverty Reduction

Weak capacity at the local government level can be an underlying cause of EFC, and of the overall ineffective implementation of poverty alleviation programmes. This can include capacity challenges across a range of issues in planning, implementation and monitoring. Financial management capacity can also be a weakness. Two case studies highlight the efforts being made to support the strengthening of that capacity.

Case Study 5.12: Bangladesh: Building Local Capacity for Poverty Reduction (UNDP, 2016)

[Themes: Monitoring and evaluation, Private sector involvement, Community-based approach, Women]

In Bangladesh, UNDP along with other partners, provided support for the development and implementation of poverty reduction strategies in 24 towns across the country. The planning process brought together local government and elected officials, and representatives from urban poor communities, civil society and the private sector. UNDP worked with communities in poor urban settlements to improve livelihoods and living conditions. Interventions included improving the physical conditions of settlements, enhancing socio-economic opportunities for the extreme poor and providing technical assistance to communities to develop savings and credit groups. As a result of these interventions, 166,000 households now have access to better water sources, while 143,000 households have new toilets. More than 88,000 extremely poor women received assistance in establishing their own businesses through small enterprise grants. Furthermore, 376,000 households now participate in savings and credit groups, with over USD 5 million held in savings and USD 3.7 million worth of loans provided by the end of 2012.

Many developing countries have received support in strengthening the effectiveness and accountability of financial management at the local level. Some international agencies provide support for strengthening the core governance

capacity of local governments, including supporting programmes that build local government capacity in fiscal responsibility, thereby enabling a faster and effective local response to the specific challenges faced in service delivery. Without that capacity building element, the decentralisation of fiscal authority carries risks.

Case Study 5.13: Giving Ugandan Local Governments Power over Purse Strings with Capacity Building (World Bank, 2009, p. 9)

[Themes: Cross-departmental coordination, Monitoring and evaluation]

In the mid-1990s, Uganda's Government launched a decentralisation effort, with the main purpose of giving local authorities more power to deliver basic services. As a rule, it is preferable to give greater control over service delivery to local governments as they are more knowledgeable about local conditions and the needs of their populations, and are more able to monitor the use of funds. However, decentralisation will only be successful if local governments have the capacity to efficiently and effectively exercise this new authority, which requires major changes: training, better accountability, more participatory decision making, and robust oversight. The World Bank, along with several bilateral donors, provided the Government with technical assistance in this area.

The first project, the Local Government Development Programme, helped develop software for monitoring funding allocations; the second, complementary programme supported similar efforts while also focusing on building local government capacity. Local authorities thrived with this injection of financing and expertise, and could better monitor budget performance and resource allocation. By 2007, revenue bases in some cases had increased by 20% or more. All major local governments had formulated three-year development plans and were submitting accounts to the Ugandan auditing office on time. With a renewed focus on strengthening the policy and institutional capacity of local government, the central government has institutionalised new training schemes and has developed a cadre of local trainers who now compete for Government contracts.

5.6 Community Participation and Communication

A large physical, social and economic gap exists between policy makers in the national capital and poor people in their rural or urban neighbourhoods. Bridging that gap is one of the core challenges of sustainable poverty alleviation, because if poor households themselves are not aware of government initiatives, or see them as irrelevant and unhelpful, the impact of these initiatives will be undermined.

Enhanced communications and community-driven development are two key components of social programmes that seek to bridge this gap.

Throughout the book we have presented case studies on community-driven (or community-based) programming, which is a central component of global poverty reduction work. Community-driven programmes generally engage the communities in participatory processes, usually with the help of project facilitators or sometimes directly by local government officials. Instead of a top-down approach in which higher levels of government, outside experts or other outside organisations pre-design and impose programmes in local conditions, community-based programming emphasises participatory approaches in which local people identify their priorities. Proposals are developed with their inputs and programmes are implemented with a certain degree of monitoring, even control, by the local communities themselves.

Community-driven approaches have been found to offer many advantages and they are a core feature of rural and, increasingly, urban development programmes. External monitoring, particularly of financial management and of the proper application of national priorities and principles are still necessary. However engaging communities and intended beneficiaries in the planning and implementation of programmes is a vital principle in anti-poverty work.

An IFAD project in Morocco is an example of the successful application of this approach.

**Case Study 5.14: Morocco: Community-driven Development Plans Help
to Reduce Rural Poverty (IFAD, 2017, pp. 24-29)**

**[Themes: Agriculture, Nutrition and food security, Community-based
approach]**

Morocco, a middle-income country, has enjoyed sustained economic growth since the 1990s and has made substantive progress in poverty reduction in recent years. However, the progress is not balanced and rural areas lag behind the cities. In 2016 the poverty rate in rural areas reached 19% and in urban areas 4.2%. (World Bank, 2017)

In 2008, the Government launched the “Green Morocco Plan” to revitalise the agricultural sector and make agriculture the engine of growth and poverty reduction. Guided by the Government’s new initiative, rural community residents in the remote mountainous areas of Al-Haouz, adopted a participatory approach to village development planning. With assistance from IFAD, the overall objective of improving the livelihoods of the rural poor in these mountainous areas through capacity-building, increasing incomes, diversifying sources of income, improving food security and developing sustainable natural resource management systems was fulfilled. The project covers three agro-ecological zones covering a total area of 2,400 square kilometres and targets 18,500 impoverished families (112,000 people) in 370 villages. It focuses on actions such as improving small-scale irrigation, drinking water supply, road rehabilitation and soil conservation, planting fruit trees, improving orchard production, livestock production and animal health.

The project has helped to improve livelihoods and production conditions in the local communities. Between 2004 and 2013, the poverty rate dropped by almost 26% and the average household income increased by nearly 50%. As the local communities are themselves responsible for identifying problems and for taking appropriate actions, local organisations developed new management skills training courses which increased the autonomy and confidence of community residents. By the end of the project, more than 200 community associations and cooperatives had been established and strengthened, 55 of them made up of women. When the project began, there were no women’s associations. Young people also became

involved in Community-based organisations. Literacy rates for both women and men had increased by 17% and 19% respectively, at the end of the project.

By increasing the diversity and productivity of agriculture, improving livestock husbandry and through more efficient use and management of natural resources, the incomes of more than 12,000 small farms were increased by 60%. The project to remediate small-scale irrigation systems resulted in an increase in the area of irrigated land so that a greater variety of crops could be planted and yields increased. The improved irrigation system also provided drinking water to 92 villages and reduced water use for irrigation by 32%. Through the introduction of new varieties, improved feed and vaccination activities, the output of red meat (mainly mutton) increased, the quality was significantly improved, animal health improved and profits increased. Crop rotation and planting of fruit trees such as olives, apples, apricots and carob helped reduce soil erosion and improve soil quality. In addition, the development of pastures and pastoral areas reduced land degradation and restored forests. It also increased feed supply and biodiversity conservation through the regeneration of native plant species.

Implementing the participatory approach was one of the main challenges of the project. To address this, leaders were carefully selected and trained, and a sociologist within the project coordination unit ensured that everyone followed the appropriate participatory approach principles. Related to this was the challenge of consulting all stakeholders and involving them in decision-making processes. The project strengthened its partnership strategy to ensure that all stakeholders participated, including project participants, local organisations, private companies, research teams and educational institutions. These partnerships also created links among producers, markets and the tourism industry, and supported literacy and vocational training, especially for women.

The project has become a good example for the Government of Morocco, IFAD and other agencies of an intervention in mountain areas using the village-level approach. The participatory approach, geographical targeting and the diversity of project activities have introduced a new path to rural development, which has influenced and been replicated in other projects in Morocco, including integrated development projects financed by the World Bank, as well as a number of other

IFAD-financed programmes.

Communication for development is an increasing focus of poverty alleviation work because, by the very fact of their poverty and marginalised situation, many poor households are difficult to reach with useful information about government programmes and about ways to improve their living situations. UNESCO has done considerable work in improving communications capacity in poor rural areas to create the infrastructure that will actively engage local populations in society and in government initiatives. One interesting case study in the use of innovative communications methods is the UNESCO “Empowering Local Radio with ICTs” programme.

Case Study 5.15: UNESCO – Communication and Information Sector - Empowering Local Radio with ICTs (UNESCO, 2017)

[Themes: Agriculture, Community-based approach, Women, Children, Adolescents]

The UNESCO project “Empowering Local Radio with ICTs”, bridges the gap among local African communities through capacity-building activities targeting local radio stations. The project trains local radio journalists and their corresponding networks on the use of ICTs for interviewing, editing and broadcasting programmes, as well as on how to interact more easily with their listeners. The stations are encouraged to cover local issues affecting the lives of their community members. Staff are additionally sensitised to ethics, investigative journalism, and financial management, and are trained to address questions relating to gender equality and youth representation.

Local correspondents are increasingly interviewing girls, women and youth as sources and experts, as well as producing programmes covering topics relevant to them. As a result, local radio stations are reinforced as a sustainable local information source and also facilitate the inclusion of vulnerable people and their specific concerns are represented in the media and the community. Marginalised groups see their issues investigated and broadcast, which leads to community-wide debates and concrete actions, such as responses to gender-based violence, local entrepreneurship and youth unemployment.

An example of how local radio has the potential to tackle poverty is that of Ruth Seruwu, from Uganda, who uses the local station to advertise her business and raise awareness about her services among her community. As a direct result, she managed to grow her business and save enough money to pay school fees for her six children; two of her daughters are now at university. Ruth is a part of the local women's listener group, called "Mifunya Women", which uses the radio as a platform to mobilise other women and start business projects that help them support their families and become more independent.

As another example, two Tanzanian reporters from Fadhila radio station led an investigation into the exploitative regional market of cashew nuts following numerous complaints from local producers. Their investigation examined the questionable trade practices of market intermediaries and their effects on farmers and the notorious and exploitative exchange called Kangomba, through which farmers have to sell their product at heavily discounted rates. Following the public exposure of this exploitation via the radio station, the Prime Minister of Tanzania ordered a formal investigation that resulted in arrests at many of the intermediary firms. In addition, a special task force was created to curb the prevalence of Kangomba.

5.7 Increasing the Role of the Private Sector in Poverty Reduction

We conclude this Chapter with a discussion on how international organisations and governments have increased the impact of their poverty alleviation efforts through engaging the private sector.

One key aspect is Public-Private Partnership.

As the global economy develops and as poverty increasingly becomes a middle income country problem the possible role of private business in poverty reduction is expanding. Private sector engagement can contribute to poverty reduction through providing access to goods or services, integrating the poor into the value chain at different levels, creating jobs, cultivating entrepreneurship and

fostering innovation (e.g. adoption of new technologies). As the most important creator of employment and income in middle and upper income countries, the private sector's importance in strengthening livelihoods is enormous. However, as in so many of the sectors discussed in this book, inclusivity is the key challenge; doing business in a way that creates a win-win situation for both the company involved and low-income communities.

A variety of factors are key to successful and inclusive private sector engagement. A viable financial model needs to be in place to ensure long-term financial sustainability, particularly for the provision of innovative and more expensive goods or services. In many cases, this cannot be realised without effective partnerships with other important stakeholders, such as the government, financial institutions, and bilateral or multilateral development agencies through which to leverage and consolidate resources.

The next two case studies present projects in which this multi-partner cooperation had a very positive outcome.

Case Study 5.16: Providing solar power for rural villagers in Morocco (Allali, 2011)

[Themes: Private sector involvement, Cross-departmental approach]

TEMASOL is a joint-venture between Electricite de France (EDF), TENESOL (formerly TOTAL Energie) and TOTAL (the French oil and electricity companies). Implemented in Morocco, the project aims to provide solar power to more than 58,500 rural households across 24 provinces.

The project was initially financed by German-Moroccan financial cooperation through the German KfW Development Bank. The technical assistance was financed by the French Facility for Global Environmental (FFEM). The equipment cost was mostly covered by a grant and the Moroccan Government became the equipment owner. 66% of the cost was financed directly through Morocco's Office National d'Electricite (ONE) and 24% was supported by TEMASOL. One of the key features of the programme was the cost-recovery of post-installation maintenance through initial built-in connection fees (10% of equipment cost) from

the customer. TEMASOL agreed to undertake the maintenance for 10 years after purchase.

The project had the following impact:

1. As of June 2007, 24,800 rural households totalling 170,000 individuals were given access to solar electricity;
2. The percentage of people connected either to the national grid or to other sources of energy improved from 22% in 1996 to 93% in 2007 and to 95.4% in 2008;
3. The living conditions of rural households improved. For example, with the lighting availability, safety at night was increased and children could do homework in the evening. Many local people were also able to access TV and radio programmes with their newly-acquired electricity. This helped strengthen family ties as family members spent more time together;
4. This project helped create jobs in rural areas, mainly installation and maintenance positions;
5. Phone usage was also increased.

The International Finance Corporation (IFC), a sister organisation of the World Bank, focuses exclusively on the private sector in developing countries. In 2011, its activities were assessed by the World Bank's Internal Evaluation Group (IEG) in a report "Assessing IFC's Poverty Focus and Results". As part of preparing this report, the IEG conducted effectiveness assessments for selected private sector poverty reduction programmes which were supported by the IFC. The main objectives of the assessment were two-fold: (i) to gauge whether the project fulfilled its development objectives through proper design and implementation and (ii) to verify project outcomes through the lens of the intended beneficiaries.

Case Study 5.17: The Private Sector and Poverty Reduction: Lessons from the Field from a World Bank Independent Evaluation Group Assessment of the Poverty Impact of IFC Loans. (Freeman, 2011)

[Themes: Finance, ICT, Private sector involvement, Agriculture, Environment]

Four cases were chosen for review: (i) a micro-credit and savings financial service in a large Central African country; (ii) a telecom project that supported a local operator to provide village phones in a small East African country; (iii) a farm forestry project intended to generate income for low-income farmers through eucalyptus tree plantations in a large South Asian country; and (iv) a water and sanitation project that supported a company to provide affordable services for urban poor in a middle-sized East Asian country.

Field work was conducted in each of the project sites. Interviews were arranged in collaboration with local research teams with randomly-selected intended beneficiaries to understand how development initiatives affected their development. Qualitative data were collected and analysed to reflect views, values and behaviours, indicative of how successfully the projects had been tailored to specific social-economic and, more importantly, cultural contexts, to address needs and stimulate motivation.

For each project, assessments were undertaken in the following areas: (i) rationale for the project; (ii) demand assessment of the poor; to ascertain whether a product or service was actually needed; (iii) engagement of the company with the beneficiaries, such as information sharing, training, mobilising/hiring local communities for project work, all of which lay the foundation for consultation; and (iv) access to and affordability of services and its effects.

There was a marked difference in the performance of the four cases. However, the farm forestry project received an unsatisfactory assessment across all areas and lessons can be learned from this.

The project was designed to raise income for poor smallholder farmers through selling pulpwood from eucalyptus tree plantations to local mills; loans for

purchases were provided whenever necessary. However, the project design did not comply with the immediate needs of the poor-63.8% of the farmers in the project site. Most could not afford the investment (USD 638 to USD 851 per hectare) with only 52% taking out credit for the purchase, and many had no previous experience with eucalyptus growing. Moreover, there was reported miscommunication about loan distribution. Half of the farmers who took out credit reported not knowing the interest rates while the other half reported incorrect interest rates. The way loans were handed out also added to the confusion, as in most cases farm inputs were provided with the cost being charged to the loan. In the end, only 21.4% of farmers expressed satisfaction with the project; most did not receive the economic returns promised at the beginning of the project (67% of participant farmers reported an income increase compared to the 76% in the control group over the five years preceding this assessment), while some found themselves facing debt.

Several lessons were learnt from the farm forestry project assessment, and demonstrate the importance of ensuring effective project design and implementation to achieve greater poverty impact. A more in-depth understanding of livelihood realities, more sufficient and positive interactions between the company and local communities, and making products or services more affordable could help more targeted project formulation and increased precision in linking supply to demand for goods or services. Underpinning all of this is the need to integrate the poor in the entire project cycle, consulting with them to obtain their ideas and gather feedback that can then feed into projects that empower them to determine and realise their futures.

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Chapter Six: Conclusions and Recommendations

China's remarkable achievements in poverty reduction have garnered global admiration. Without China's massive reduction in absolute poverty the first Millennium Development Goal, halving the percentage of the world's population living in extreme poverty by 2015, would have fallen far short of attainment. With China's accomplishments, the global goal was not only achieved, it was reached ahead of time.

Looking forward, China's determination to build on its achievements and move ahead with further intensive poverty alleviation efforts is equally impressive. This is true both for the push to eliminate absolute income poverty by 2020, and for the plan to continue these strong efforts after 2020 in addressing the next set of poverty challenges, including inequality, the non-income dimensions of poverty, environmental degradation and urban poverty.

During the MDG period, the MICs of Latin America and Europe also achieved impressive poverty reduction results, with poverty rates for this group falling from 13% to 4%. Because these countries are smaller in population than large, former LICs, such as China and India, and because they had lower poverty rates to begin with, their reductions did not influence global aggregate poverty reduction results as much as LICs. Nevertheless, their experience in sustaining poverty reduction even after attaining MIC status offers many useful lessons for China.

China's experience has demonstrated that there is no substitute for inclusive economic growth as a driver of poverty reduction in LICs and MICs. However, as income rises further in UMICs and UICs, poverty challenges are less easily overcome by growth alone; environmental problems, urbanisation and the emergence of urban poverty and wealth distribution issues, can actually be worsened by growth, unless policies and systems are in place to prevent them. Thus, China's next generation of poverty challenges are substantially different from those faced at the start of the reform and opening-up era. Specifically:

- Emergence from poverty needs to be sustainable. Vulnerability is now a central focus, requiring social protection and other systems that cover both the small number of remaining absolute poor and the larger number of those facing the risk of falling back into poverty when they suffer a shock;
- Relative poverty and inequality become more important problems than absolute poverty, as merely rising above the extreme poverty line is no longer seen as an adequate target even for the lower income portion of the population;
- Multi-dimensional poverty concepts, that capture non-income deprivations such as poor quality housing, lack of education and poor health, become increasingly relevant;
- Environmental poverty, defined by UNEP as “lack of access to natural assets, inadequate management of resources and exposure to ecosystem degradation and pollution” tends to worsen along with economic growth, creating new poor and worsening the lives of those who are already poor;
- Gender dimensions of poverty are emerging more starkly, as limits on women's access to assets and opportunities push them further behind men;
- As the population urbanises poverty also urbanises and must be confronted in an entirely different social and economic setting from traditional rural poverty;
- As the population ages, and traditional family-based social safety nets weaken, poverty among the elderly becomes a priority policy issue;
- Most of the remaining income-poor population live in relatively isolated areas with arduous natural conditions that make linking them to markets and services particularly difficult;
- Other types of remaining poor are difficult to reach for different reasons;

people with disabilities, illnesses, illiteracy, unemployed youth who are marginalised after not completing school, and those who live invisibly in areas that are not considered poor.

These issues, many of which were already incorporated into the global 2015 Millennium Development Goals, are even more embodied in the global 2030 Sustainable Development Goals. UN agencies and other international organisations have been continuously working with countries around the globe on addressing them. The core SDG principle “No one left behind” resonates deeply with the Chinese Government’s own philosophy that “Yige dou bu neng diaodui -- not even one can be left behind”.

This book is a compilation of the international experience gained in addressing these challenges. Based on the case studies presented, the key recommendations for China are as follows:

1. The use of different poverty standards to focus and sustain future poverty alleviation should be considered. Having achieved notable success in reducing absolute income poverty, defined either by China’s own national standard of RMB 2,300/year or the global USD 1.90/day line, China needs to set standards more appropriate for an UMIC for the post-2020, post-Xiao Kang era:
 - a. For income-based poverty lines, the World Bank’s new USD 5.48/day UMIC line can serve as one reference point. Another relevant international option is the common practice among UICs of setting a relative poverty line: one half of median household income, for example.
 - a. China should consider developing multi-dimensional poverty lines, starting from the Multi-dimensional Poverty Index. (Alkire S. a., 2010) These have been found to be much more powerful than income-based lines in identifying households in poverty, because income fluctuates and is at best a proxy in capturing a household’s capabilities and capacity to lead full and productive lives. Quality of housing, nutrition, access to basic public services, health status, and hygienic conditions, are all factors that determine well-being, and the Government has proven capacity to obtain and analyse such data.

- c. China's large population and rapid economic growth have created a large amount of environmental stress, and the Government has taken strong measures to address this. As part of the approach, the inclusion of environmental factors in a multi-dimensional poverty measure would be extremely appropriate: air quality, water quality, and access to improved sanitary facilities, for example.
- d. Many countries have different poverty lines for rural and urban populations. Some, such as Vietnam, use multi-dimensional standards to identify urban poor; while incomes are generally higher there, many other deprivations are quite severe. China could consider this approach as well.

2. China could increase the opportunities for poor people, including women, to participate in making decisions about programmes and matters that affect their lives. The themes of participation, engagement and empowerment are found in all the successful examples of international experience presented in this book:

- a. Establish and strengthen communications mechanisms to reach leaders and people in rural villages, enabling them to engage actively in discussions, plans and decisions regarding the design and implementation of programmes and policies.
- b. Make communication a two-way flow by welcoming feedback and active monitoring by local people regarding the programmes taking place in their areas. Global experience has shown that effective monitoring and evaluation and improvement of programmes requires these feedback mechanisms.
- c. Pay special attention to women's participation in these processes as women are still frequently excluded from the information sharing, discussions and decision-making that have a large impact on their lives.
- d. Build the capacity of village-level organisations, which are globally a frequent bottleneck in poverty alleviation work. Training must be provided to emphasise and transmit the message that poverty alleviation is a goal that cuts across all their work, that the poor must become actively engaged in decision-making, and that their financial management, administrative and technical skills must be strengthened if their work is to succeed.
- e. Start the challenging work of establishing similar organisations and

mechanisms for engaging the poor urban population, especially internal migrants, in programmes and policy decisions that can help them emerge from poverty in a sustainable way. The World Bank programme on participatory planning in urban Indonesia (Case Study 4.2.4) is an example of what can be done.

3. Strengthen horizontal coordination across ministries and vertical coordination among levels of government. Fragmentation of poverty reduction responsibilities leads to wasted time and money and results in the ineffectiveness of programmes. The successful national programmes highlighted in this book all featured strong coordination mechanisms across sectoral ministries, poverty offices and fiscal authorities. When countries treat poverty alleviation narrowly as the responsibility of one national government office or when there is not a clear allocation of responsibilities and accountability across levels of government the results tend to be disappointing:

- a. The Brazilian school feeding programme (Case Study 5.1) is an excellent example of a programme that involves the close cooperation of health, agriculture, education and fiscal authorities to ensure that school children receive adequate nutrition, local food producers are supported, and educational outcomes are improved to reduce the inter-generational transmission of poverty. As nutrition remains a challenging issue in China, the Government should consider developing a similar initiative;
- b. The Mexican Prospera CCT programme (Case Studies 3.2 and 3.3) is another example of extensive and intensive horizontal and vertical coordination in implementing a comprehensive, nationwide social programme.

Schools can be the focus of other multi-sectoral and multi-level programmes as well; hygiene, vision and other health-related testing, and a conditional cash transfer programme for poor households with children, are all possible examples.

To strengthen coordination across levels of government, the spending responsibilities, resource sources, and monitoring and evaluation reporting

responsibilities at each level must be clearly defined. Each level can be accountable for some aspect of a programme's success and should be allocated the resources necessary to meet its responsibilities. China therefore needs to address the strong disconnect that currently exists between responsibilities and resources.

4. China could strengthen systems for identifying and targeting poor people in a consistent and accurate way. Universal registries, such as in Brazil and other Latin American countries, and the Colombian SISBEN system, have proven quite successful in increasing targeting accuracy, cost-effectiveness and the transparency of social programmes, and their use could be considered in China. The Government's capacity to gather, store and process information make the success of this type of programme highly likely as China expands its social programmes. The largest challenge may be in achieving the full engagement of local governments, whose discretion in identifying beneficiaries and awarding benefits may be constrained.

5. China could ensure appropriate monitoring and evaluation of poverty expenditures, to increase their effectiveness and avoid corruption. As the Government's social programmes continue to expand, the need to monitor effectiveness and prevent mismanagement grows even greater. Whether policies are meeting the needs of the poor and addressing their problems and whether funds are being used for their intended purposes must be assessed. Global experience demonstrates that such monitoring should be done by independent and objective parties:

- a. Participation in this monitoring and feedback from poor people themselves has been found to be one extremely useful source of independent assessment of the programmes. At times this takes place by simply offering opportunities for households to report problems. Alternatively, participation can be arranged by civil society groups, or other organisations of beneficiaries.
- b. Regular cost-benefit analyses are also extremely useful when exploring ways to refine and improve programmes.

6. The perception that the need to protect the environment is an obstacle to

poverty reduction should be changed into a recognition of the many opportunities that improved natural resource and environmental management offer for sustainable growth and livelihoods, and an awareness that the poor suffer the worst impact of failure to protect the environment:

- a. At the national level, China can prioritise green poverty reduction as the main approach to poverty reduction in the remaining poor rural areas. In the final push to eliminate extreme poverty by 2020, one focus should be on preserving the ecologically fragile conditions in many of the remaining poor rural regions while also taking advantage of the rich natural resources that exist there.
- b. Environmental management cannot be separated from other development policies. Environmental concerns must be considered priorities across the full range of government ministries and agencies, not only those specifically focused on them. Sustainability should be fully integrated into poverty reduction strategies and policies and fully reflected in budget allocations.
- c. China can strengthen the links between national environmental policies and local development plans. Environmental management and poverty reduction should be linked and integrated into national, regional and local development plans. This will require rigorous policy formulation, training and advocacy and careful monitoring and evaluation.
- d. As in all local poverty alleviation programmes, the active participation of local people in planning and decision-making is essential.
- e. Payments for environmental services are an increasingly important global practice, and could be used more widely in China.

7. Poverty reduction in China should fully incorporate the awareness of gender equality and should emphasise the state policy on gender equality. Despite clear official state policy on gender equality extensive gaps still exist in access to services and assets, in political participation and in economic treatment; all are obstacles to sustainable poverty reduction:

- a. Programmes targeting the poor should explicitly include gender targets to ensure that women are able to fully participate and benefit.

- b. Targeting households in programmes without attention to division of assets, food and responsibilities within the family, often leads to inequitable outcomes and failure to break poverty.
- c. As society evolves and the population ages and urbanises, single-person households are becoming common, and women in such situations are more likely to be poor than men. Urban poverty programmes, and those helping the elderly, should include women as a key target group.
- d. Empowering women so that they can realize their potential offers benefits for the whole society. As the United Nations Secretary-General António Guterres said, “The richness, the welfare, the prosperity of countries, depend on the full integration of women into the development process.” (United Nations, 2017)

8. China can learn important lessons from international experience, much of it from the MICs of Latin America, in the design and implementation of effective social protection systems:

- a. The Conditional Cash Transfer (CCT) approach is at the centre of many of those systems. Its effectiveness has been demonstrated in accomplishing two vital poverty goals: (1) providing cash support to poor households, both to improve their living standards and to ensure that they have the cash needed to utilise key public services; and (2) requiring those households to meet conditions that ensure their children receive the education and/or health care that will give them the capacity to avoid poverty in their adult lives. Small-scale CCT pilot projects in China have achieved positive results and this is an approach China should consider expanding as Government programmes for poor populations.
- b. The “graduation” or “cash plus” approach to social assistance is now receiving great interest around the world. As highlighted in section 3.1.2 programmes have been piloted widely, rigorously evaluated, and been found to have a strong and sustainable impact on reducing poverty. The underlying premise is straightforward: poor households lack more than income, so simply providing income support is not enough. These households lack physical or financial assets, they lack skills, and often lack

the confidence to engage with financial institutions and markets. The graduation approach addresses all these elements for a limited period, after which the beneficiary household is expected to be self-supporting. Assets are provided, such as livestock or seed capital, along with training on business management; bank accounts are created, along with training on financial literacy and management; psychosocial support is also provided. The details of these packages vary according to local conditions. China could experiment with such approaches in its remaining poor rural areas, and possibly in poor urban districts as well.

- c. Protection for poor elderly populations is a growing challenge around the globe. It is a complex problem, particularly in countries such as China which have seen strong increases in national income. Three factors combine to create this challenge: (1) a demographic transition which inevitably makes financing pensions more difficult; (2) the social and economic changes that accompany rapid growth, as traditional family and rural village-based support systems are undermined; and (3) the financial needs of the elderly increase due to higher prices and lifestyle changes. Countries are increasingly turning to government-funded social pension schemes to complement other contribution-based and workplace-based schemes as the only means to ensure that large numbers of elderly do not fall into poverty when they no longer have an income. China has been a leader in the creation of a universal social pension, however the challenges in financing it, in ensuring that benefits are adequate, and in incorporating both urban and rural populations are still great.
- d. Employment generation will be a key priority in China for some time to come. However, as an UMIC that aims to achieve UIC status in the coming decades, China's focus on the labour market should steadily shift from mere employment generation to provision of "decent work", targeted in SDG 8 and defined and pursued across the globe under ILO conventions and other international practices.
- e. Decent work is a broad and powerful concept that covers terms of employment and legal recourse for employees. It includes legal recourse for employees when contracts are violated, the physical safety of the workplace, and reliable and adequate compensation in the event of workplace injury. As noted in this book, many countries have implemented decent work

legislation and regulations on paper, but fail to implement them effectively. A decent work agenda in China, implemented with the full capacity of the relevant government organisations, could make China a leader during its coming transition.

9. China can take several steps to improve educational outcomes for poor children, who face many disadvantages, and reduce the inter-generational transmission of poverty. In addition to the cross-sectoral programmes mentioned above, especially CCTs to increase incentives for poor households to keep children in school, some other steps could include:

- a. Strengthening the inclusiveness of education. “No one left behind” is a strong goal for educational systems as well, and should entail both substantial increases in Government investment in education, and an effort to identify and address coverage gaps.
- b. Now that the education SDGs have moved on from enrolment rates as a key indicator, to completion and advancement rates, including to high school, China can explore ways to assess local government performance based on educational outcomes, and establish systems to monitor outcomes carefully, while also ensuring that resources are available to finance necessary expenditures in even the poorest areas. The Serbian case study in this book is an illustration of how much investment and effort a country can put into priority issues, such as monitoring and evaluating the inclusiveness of education.
- c. Accelerating and expanding improvements in technical and vocational education and training (TVET). TVET cannot be an afterthought; the important contributions made to the economy by workers without university education, and the need to provide them with the quality secondary education that prepares them to make that contribution, should be fully recognised. The Singapore TVET experience presented in the book is built on that recognition. As Dr. Law Song Seng noted, “It takes great concerted efforts in terms of policies, governance, leadership, expertise, capabilities and a government, willing and ready to invest in TVET, to make a real difference.” (Law, 2012)

10. China can be a global leader in achieving Universal Health Care (UHC), SDG 3.

UHC, particularly its equity features, is closely aligned with China's goals of improving access to health care for the whole Chinese population, including poor people who currently lack access to affordable good quality health services. The global effort to achieve that goal offers many lessons for China:

- a. China can increase government investment and expand the coverage and benefits of health insurance plans to reduce institutional barriers to health services and improve the affordability of key services for poor and vulnerable households, including the elderly, children, people with disabilities, and poor households in urban areas.
- b. China can also increase investment in local level medical institutions, including training of personnel, the assignment of quality medical workers to poor regions, and developing public education campaigns to improve awareness on health issues and the availability of health services.
- c. As China has gone through a rapid epidemiological transition, non-communicable diseases (NCDs) are now the major cause of premature death and serious illness. They are directly linked to poverty, both because poor households are most frequently affected by them and because NCDs can often drive households into poverty. Reducing the harmful health effects of NCDs primarily requires behavioural change. China has taken important steps in addressing the NCD problem, particularly in restricting smoking, but the experiences presented here regarding further reduction in tobacco and alcohol use, improvements in dietary standards and practices, and other behavioural changes could have a very positive impact on poverty.

11. China can make improved nutrition a higher priority in the national poverty alleviation agenda:

- a. There is growing international appreciation of the vital distinction between ending hunger, as measured by caloric intake, and eliminating malnutrition, which can often be a problem even for households who are meeting normal daily calorie requirements. Improving nutrition, particularly in children, is a

vitality important way to break the destructive cycles of inter-generation poverty transmission, as well as for reducing NCDs in adults. This is one area where China can make large-scale improvements. The national school feeding programme already mentioned above could be a component of such efforts and other examples of international experience should also be explored to facilitate national efforts to improve nutrition.

- b. Numerous studies have proven that breastfeeding is the healthiest way to feed young infants, followed by complementary feeding. In China breastfeeding rates are very low, negatively affecting infant health and making sustainable poverty reduction more difficult. National efforts to educate the population about the advantages of breastfeeding and to facilitate breastfeeding by mothers need to be increased.
- c. The Government can test programmes that provide nutritional supplements, such as “Sprinkles”, and develop and prioritise public education programmes about nutrition, specifically targeting poor households.

12. China can draw on rich international experience in strengthening rural, agriculture-based livelihoods. Although China has great experience in rural development, UN agencies such as FAO, IFAD, UNDP and others have accumulated many useful practices in other countries that can also be applied in China:

- a. Green production techniques, including organic agriculture and improved natural resource management to reduce risk, have achieved impressive results in many countries.
- b. Many projects have demonstrated innovative approaches to expanding agricultural value chains, by introducing e-agriculture and creating new and more effective producer organisations.
- c. Key challenges in successful rural development can be overcome through engaging with and providing needed skills training to local populations, who are often marginalised and alienated. UN organisations have developed a rich pool of experience in encouraging the active participation of poor populations in programmes, through sustained communication and other forms of outreach.

- d. Programmes to improve the nutritional content of local diets by promoting the cultivation of new and more diverse agricultural products have been found to create win/win situations, higher incomes for farmers and better nutrition in poor rural areas.
- e. Engagement with rural women to build their livelihoods and increase their access to training, finance, other assets and to empower them to take greater control over their lives is another fundamental challenge in rural development in which UN agencies have considerable global experience.

13. China can draw on international experience in tapping the potential of culture to provide livelihoods and poverty reduction. In China today, many of the remaining poor areas have rich and important local cultures, which often have the potential to provide livelihoods for their populations while being preserved as part of mankind's cultural legacy:

- a. Several outstanding examples of UNESCO's work generating sustainable livelihoods while preserving heritage are presented in this book. Both positive and negative international experience exists that can assist China in finding the proper balance between tapping the economic potential of cultural heritage in poor areas and preserving that heritage for the local people and for humanity. In the rush to generate income it is vital that care is taken to avoid the irremediable loss of important cultural heritage.
- b. Another challenge with cultural tourism in poor rural areas is that local people do not necessarily benefit from it economically. Programmes to build the business and cultural skills of local populations are needed, and policies should be introduced to ensure that tourism income primarily benefits local people rather than outside companies.
- c. The pro-poor value chain assessment tool presented in this book is a useful instrument for identifying which projects provide the greatest benefits for poor people.
- d. The cultural sector is an important source of employment and pro-poor growth in many countries. UNESCO's work with Vietnam and other countries in developing national strategies for the creative industry offers useful experience for China to explore.

14. China can achieve further sustainable poverty alleviation through expansion of innovative and inclusive financial services for poor people, both rural and urban:

- a. Inclusive financial services offer products specifically designed to meet the needs of poor households, which often lack the collateral, connections, or stable and predictable income that help others take advantage of financial services. Financial institutions should be urged to develop and offer this type of product.
- b. Credit programmes, such as microcredit and credit cooperatives that are well known around the world, are beneficial but many other types of inclusive financial services are also worth exploring in China. The book presents innovative savings services, insurance and payment (including international transfer) services that have been developed for poor customers.
- c. China's digital infrastructure is quite advanced, and offers a platform for the introduction of inclusive financial services that can help China's poor and vulnerable households.

15. As China moves into the post-2020 era, policies and systems should be developed which address the major challenge of urban poverty:

- a. China's population is steadily urbanising and it is inevitable that poverty will increasingly become an urban problem as well. China's focus to date in urban poverty alleviation has largely targeted urban hukou, low-income households. However the key urban poverty challenge around the world, and one that China will confront in the coming years, is multi-dimensional poverty among internal migrants who have resettled in urban areas.
- b. Creation of integrated rural-urban social protection and social service delivery systems that cover internal migrants will be one of China's greatest poverty challenges in the coming years. These should include health insurance, workplace protection and compensation, and unemployment protection. Basic social services should include good quality health care and education for all household members. The biggest urban poverty

challenge globally is housing; new migrants tend to settle in low-quality, crowded, unsafe and unhealthy housing. Success in overcoming these challenges will reduce poverty and improve lives in both urban and rural settings. This book presents many innovative and comprehensive social protection systems from other UMICs that cover both urban and rural populations.

- c. One of the main challenges in addressing urban poverty is the high level of mobility and informality. Here too there is considerable global experience to study, from which some useful lessons can be learned. China already has systems in place to regulate the activities of informal sector and independent workers; absorbing these workers into credible urban social protection systems, through registration and contributions, would be a very positive step forward.

16. China should build on its already strong record of sharing experience and cooperating with international organisations and other countries in confronting the challenge of eliminating poverty. The UN agencies, whose experience is reported in this book, stand ready to continue their close partnership with China in applying the lessons of China's remarkable poverty reduction experiences in other countries and in introducing global experiences to China.

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Acronym List

ACDA: Agricultural Cooperatives Development Agency
ADB: Asian Development Bank
AWC: Network of Safety Centers
AWHF: African World Heritage Fund
BCC: Behavioral Change Communication
BIA: Boton Irrigation Association
BRAC: Bangladesh Rural Advancement Committee
C4D: Communication for Development
CBNRM: Community Based Natural Resource Management Programme
CCTs: Conditional Cash Transfers
CDD: Community-driven Development
CFPA Microfinance: China Foundation for Poverty Alleviation Microfinance
CGAP: Consultative Group to Assist the Poor
CMP: Child Money Programme
CPP: Community Partnership Programme
CRCs: Community Resource Centers
EAOPS: East African Organic Products Standards
EDPRS: Economic Development and Poverty Reduction Strategy
EFC: Errors, Fraud and Corruption
EGP: Employment Generation Programme
EIA: Environmental Impact Assessment
ENPARD: European Neighborhood Programme for Agriculture and Rural

Development

ESPA: Ecosystem Services and Poverty Alleviation

FAO: United Nations Food and Agriculture Organization

FFEM: French Global Environmental Fund

FSSP: Female Secondary School Stipend Programme

GALS: Gender Action Learning System

GDI: Gender Development Index

GDP: Gross Domestic Product

GEBR: Green Economy in Biosphere Reserve

GEI: Green Economy Initiative

GES: Growth Enhancement Support

HEF: Health Equity Fund

HFP: Homestead Food Production

HKI: Helen Keller International

HNB: Hatton National Bank

HPI: Human Poverty Index

ICCs: Information and Consultation Centers

ICDs: Integrated Child Development Services

ICT: Information and Communications Technology

IDE: International Development Enterprises

IFAD: International Fund for Agricultural Development

IFC: International Finance Corporation

IFCD: International Fund for Cultural Diversity

IFPRI: International Food Policy Research Institute

ILO: International Labor Organization

ILS: International Labor Standards

IRRI: International Rice Research Institute

ITE: Institute for Technical Education

IWMI: International Water Management Institute

IWWs: Informal Waste Workers

JICA: Japan International Cooperation Agency

JMU: Jichi Medical University

KAP: Knowledge, Attitude and Practices

LGUs: Local Government Units

LIC: Low Income Country

MCLCs:	Multi-purpose Community Learning Centers
MDGs:	Millennium Development Goals
MIC:	Middle Income Country
MoCST:	Ministry of Culture, Sports and Tourism
MoLSA:	Ministry of Labor and Social Affairs
MPI:	Multidimensional Poverty Index
NAMA:	Northwest Agricultural Marketing Association
NCDs:	Noncommunicable diseases
NEP:	National Employment Program
NFE:	Non-formal Education
NICADAPTA:	Nicaragua Adapting to Markets and Climate Change Project
NIOH:	National Institute of Occupational Health
NMCHC:	National Maternal and Child Health Center
OAP:	Old-age Pension
ODI:	Overseas Development Institute
OOPs:	Out-of-pocket expenditures
OSH:	Occupational Safety and Health
OTUP:	Other Targeted Ultra-Poor
PAP:	Poverty Alleviation Program
PCDP:	Pastoralist Community Development Programme
PEER:	Public Environmental Expenditure Review
PEI:	Poverty-Environment Initiative
PEP:	Poverty-Environment Partnership
PES:	Payments for Ecosystem (or Environmental) Services
PHC:	Primary Healthcare Programme
PKSF:	Palli Karma-sahayak Foundation
PMM:	Participatory Market Mapping
PNAE:	Programa Nacional de Alimentação Escolar (Brazilian school-feeding programme)
POS:	Point of Sale
PPI:	Pro-poor Income
PPP:	Public-private Partnership
PRISM:	Poverty Reduction of Informal Workers in Solid Waste Management Sector
PRP:	Poverty Reduction Programme

RAIP: Rural Accessibility Improvement Project
RCPRP: Rehabilitation and Community Based Poverty Reduction Project
REMA: Rwanda Environment Management Authority
REP: Rural Enterprise Project
RFSP: Rural Financial Services Program
RPE: Remuneration of Positive Externalities
SACCOS: Savings and Credit Cooperative Organizations
SDGs: Sustainable Development Goals
SEI: Stockholm Environment Institute
SISBEN: Colombian Unified Vulnerability Targeting System
SMEs: Small and Medium-sized Enterprises
STEM: Science, technology, engineering and mathematics
TICW Project: Trafficking in Children and Women Project
TINP: Tamil Nadu Integrated Nutrition Project
TMRI: Transfer Modality Research Initiative
TSP: Technical Secretariat of the Presidency
TVET: Technical and Vocational Education and Training
UCA: Universal Child Allowance
UHC: Universal Health Coverage
UIC: Upper Income Country
UMIC: Upper Middle Income Country
UN: United Nations
UNCDF: United Nations Capital Development Fund
UNCTAD: United Nations Conference on Trade and Development
UNDP: United Nations Development Programme
UNEP: United Nations Environment Programme
UNESCO: United Nations Educational, Scientific and Cultural Organization
UNFPA: United Nations Population Fund
UNICEF: United Nations Children's Fund
UNIDO: United Nations Industrial Development Organization
UNOPS: United Nations Office for Project Services
UNWTO: United Nations World Tourism Organization
USPS: Universal Social Protection System
VICAS: Vietnam Institute of Cultural and Art Studies
VODP: Vegetable Oil Development Project

WED: Women Entrepreneurship Development Project

WHO: World Health Organization

WIEGO: Women in Informal Employment: Globalizing and Organizing

WFP: World Food Programme

WRS: Warehouse Receipt System

YEAP: Youth Employment in Agriculture Programme

Annex 1: Case Study Index

Index of Case Studies by Sector, Theme and Beneficiary

For the convenience of readers who wish to find all case studies on a particular topic, we have coded and indexed the case studies as per the following table.

Sector	Programme Management Theme	Intended Beneficiaries
Agriculture	Cross-Departmental Coordination	Women
Finance	Targeting	Children
Education/Training	Monitoring and Evaluation	Adolescents
Health	Private Sector Involvement	Elderly
Information and Communications Technology (ICT)	Community-based Approaches	Informal Sector Workers
Culture	Financial Management/Corruption	

Environment		
Social Protection		
Nutrition and Food Security		
Urban		

Sectors

Agriculture

2.1.1/2.1.2/2.1.3/2.1.4/2.1.5/2.1.7/2.1.8/2.1.5/2.1.6/2.3.3/2.4.1/2.4.4/2.4. 5/
2.4.6/3.5.3/4.1.2/4.1.3/4.1.5/4.3.1/4.3.2/4.3.3/4.3.4/5.2/5.13/5.14

Finance

2.4.1/2.4.2/2.4.3/2.4.4/2.4.5/2.4.6/2.4.7/2.4.8/2.4.9/2.4.10/3.1.1/3.2.2/3.
2.6/3.2.7/3.2.8/3.2.9/3.6.2/3.6.4/3.6.14/3.7.2/4.2.7/4.2.9/5.2/5.7/5.10/5.16/5.
17

Education/Training

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6/3.5.7/3.6.3/3.7.2/ 4.1.6/4.1.7/4.2.1/4.2.7/4.2.8/5.2

Health

3.2.10/3.3.1/3.6.1/3.6.2/3.6.3/3.6.4/3.6.5/3.6.7/3.6.8/3.6.9/3.6.10/3.6.
11/3.6.12/3.6.13/3.6.14/3.6.15/3.7.1/3.7.2/4.1.4/4.2.1/4.2.7/4.2.8/4.2.9/4.
2.10/5.2

Information and Communications Technology (ICT)

2.3.1/2.3.2/2.3.3/2.4.1/3.5.5/4.2.5/5.17

Culture

2.2.1/2.2.2/2.2.3/2.2.4/2.2.5/2.2.6/2.2.7/2.2.8/2.2.9/4.3.5

Environment

2.1.1/2.1.3/2.2.2/4.1.3/4.2.5/4.2.7/4.3.2/4.3.3/4.3.4/4.3.5/4.3.6

Social Protection

3.2.10/4.2.1/4.2.8/4.2.9

Nutrition and Food Security

3.2.5/3.6.11/3.7.1/3.7.2/3.7.3/4.2.6/4.2.10/5.1/5.13

Urban

4.2.1/4.2.2/4.2.3/4.2.4/4.2.5/4.2.6/4.2.8/

Programme Management Theme

Cross-Departmental Coordination

2.1.4/2.1.5/2.1.7/2.1.8/2.1.5/2.1.6/2.4.7/3.3.1/3.3.4/3.4.2/3.5.2/3.6.2/3.6.6/
3.6.12/3.6.13/ 3.6.14/3.7.1/4.1.7/4.2.4/4.3.3/4.3.6/5.1/5.5/5.6/5.7/5.12/5.15

Targeting

4.1.4/4.2.1/5.3/5.6

Monitoring and Evaluation

2.1.5/3.4.1/5.3/5.4/5.5/5.6/5.6/5.7/5.8/5.9/5.10

Private Sector Involvement

2.1.1/2.2.5/2.2.6/3.3.4/3.4.2/3.5.2/3.6.12/3.6.13/4.2.2/4.2.10/4.3.3/5.4/5.1
1/5.15/5.17

Community-based Approaches

2.2.1/2.4.7/3.5.6/3.6.9/4.1.1/4.1.3/4.2.2/4.2.3/4.2.5/4.2.6/4.2.7/4.2.9/4.3.2/
4.3.4/5.1/5.2/5.11/5.13/5.14

Financial Management/ Corruption

4.3.3/5.9/5.10

Intended Beneficiaries

Women

2.1.1/2.1.2/2.1.7/2.1.5/2.1.6/2.3.1/2.4.3/2.4.10/3.2.4/3.2.5/3.4.1/3.5.3/3.5.
4/3.5.6/3.6.4/3.6.5/3.6.6/3.6.7/3.6.14/3.6.15/3.7.1/3.7.3/4.1.1/4.1.2/4.1.3/4.1.4/
4.1.5/4.1.6/4.1.7/4.2.4/4.2.6/4.2.7/4.2.8/4.2.9/4.3.4/5.11/5.14/5.16

Children

2.1.2/2.4.1/2.4.8/3.2.8/3.2.9/3.2.10/3.3.1/3.5.1/3.5.2/3.5.3/3.5.6/3.6.4/3.6.7/3.6.11/3.6.14/ 3.6.15/3.7.1/3.7.2/3.7.3/4.2.6/4.2.7/4.3.6/5.1/5.8/5.14

Adolescents

2.1.1/2.1.2/2.1.5/2.3.1/2.3.2/2.4.2/2.4.7/2.4.8/3.2.8/3.4.1/3.5.3/3.5.4/3.5.5/3.6.7/3.6.15/4.3.6/5.1/5.8/5.14

Elderly

3.2.10/3.3.2/3.3.3/3.3.4

Informal Sector Workers

3.2.8/3.4.1/4.2.9

Annex 2: Brief Intro of UN Agencies

FAO: The Food and Agriculture Organization of the United Nations (FAO) is a specialised agency of the United Nations that leads international efforts to defeat hunger. Its main aims are to raise levels of nutrition and standards of living, secure improvements in food production and distribution, better the conditions of rural people, and contribute toward an expanding world economy and ensure freedom from hunger. Its work involves elimination of hunger, food insecurity and malnutrition by facilitating policies and political commitments to support food security and by making sure that up-to-date information about hunger and nutrition challenges and solutions is available and accessible. FAO supports poverty reduction by bringing in its poverty reduction expertise such as empowering the rural poor and their organisations, promoting decent rural employment and rural social protection. FAO's latest *The State of Food and Agriculture 2017: Leveraging food systems for inclusive rural transformation* looks at how population growth, increasing urbanisation, technologies, and climate change are transforming rural and urban areas, and how the world's food systems are evolving. It also demonstrates that fulfilling the 2030 Agenda depends crucially on progress in rural areas where most of the poor and hungry live today.

IFAD: The International Fund for Agricultural Development (IFAD) is an international financial institution and a specialised agency of the United Nations. Since it was created in 1977, IFAD has focused exclusively on rural poverty reduction, working with poor rural populations in developing countries to eliminate

poverty, hunger and malnutrition; raise their productivity and incomes; and improve the quality of their lives. IFAD has designed and implemented projects in very different natural, socio-economic and cultural environments. It provides low-interest loans and grants to developing countries to finance innovative agricultural and rural development programmes and projects, many of which are in remote areas, and have targeted some of the poorest and most deprived segments of the rural population. IFAD has recognised that vulnerable groups can and do contribute to economic growth. These groups have shown that they can join the mainstream of social and economic development, provided the causes of their poverty are understood and enabling conditions for development are created. IFAD's flexible programme approach and longer-term lending framework enhance its ability to assist governments in pro-poor policy and institutional development and to respond to the diversity of issues facing the rural poor in different regional and local contexts. IFAD's latest flagship report *Rural Development Report 2016* discusses different pathways of structural and rural transformation in developing countries and how they affect rural poverty reduction and social and economic inclusion.

ILO: The International Labor Organization (ILO) is a tripartite United Nations agency devoted to promoting social justice and internationally recognised human and labor rights. It brings together representatives of governments, employers and workers to jointly shape policies and programmes. It sets labor standards, develops policies and devises programmes promoting decent work for all women and men. ILO is dedicated to creating greater opportunities for women and men to decent employment and income, setting and promoting standards and fundamental principles and rights at work, enhancing the coverage and effectiveness of social protection for all, and strengthening tripartism and social dialogue. ILO believes that breaking the cycle of poverty involves full employment and decent work. Its role in standard setting contributes to national frameworks and legislation to support improvements in working lives, dignity and respect for fundamental rights. By June 2017, about 40 developing countries are receiving ILO technical assistance in strengthening their minimum wage systems, thereby contributing to raising the incomes of millions of poor people whose only asset is their labour. One of ILO's flagship reports, *The World Employment and Social Outlook 2017: Sustainable enterprises and jobs* provides figures and analysis on small- and medium- sized

enterprises (SMEs), and especially focus on job creation in SMEs over the last two decades. Another flagship report *World Social Protection Report 2017-19: Universal social protection to achieve the Sustainable Development Goals* provides a global overview of recent trends in social protection systems, including social protection floors. It offers a broad range of global, regional and country data on social protection coverage, benefits and public expenditures on social protection.

UNDP: The United Nations Development Programme (UNDP) is the United Nations' global development network. Its objective is to build inclusive, sustainable and resilient societies. UNDP works in about 170 countries and territories, helping to achieve the eradication of poverty, and the reduction of inequalities and exclusion. It helps countries to develop policies, leadership skills, partnering abilities, institutional capabilities and build resilience in order to sustain development results. UNDP strives to strengthen new frameworks for development, disaster risk reduction and climate change under the 2030 Agenda for Sustainable Development, supporting countries' efforts to achieve the SDGs, which will guide global development priorities through 2030. UNDP's work on poverty reduction focuses on public policy interventions that help to modify the social, cultural and economic conditions that created poverty in the first place. Gender equality and women's empowerment, democratic governance and support to transitions, prevention of crises and building back better, engagement in climate talks, adaptation and mitigation, and the elimination of stigma in HIV and AIDS are ways of fighting against poverty by another name. UNDP works with developing countries to integrate the standards and principles of human rights such as non-discrimination, participation and accountability in design and implementation of development policies and programmes. The *Human Development Report* of the UNDP distinguishes itself from other flagship reports on development in the sense that it is based on an innovative concept that defines development as the expansion of choices by enhancing capabilities. The 2016 *Human Development Report* "Human Development for Everyone" recognises that in every society certain groups are far more likely to suffer disadvantages than others and identifies deep-rooted, and often unmeasured, barriers to development. It also looks to what societies should do to advance human development for everyone and sets forward policy recommendations at the national level.

UNEP: United Nations Environment Programme (UNEP) is the leading global environmental authority that sets the global environmental agenda, promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system, and serves as an authoritative advocate for the global environment. UNEP categorises its work into seven broad thematic areas, including climate change, disasters and conflicts, ecosystem management, environmental governance, chemicals and waste, resource efficiency, and environment under review. In all of its work, it maintains an overarching commitment to sustainability. Its work includes assessing global, regional and national environmental conditions and trend; developing international and national environmental instrument; and strengthening institutions for the wise management of the environment. In collaboration with UNDP, UNEP supports The Poverty-Environment Initiative, a global programme that supports country-led efforts to put pro-poor, pro-environment objectives into the heart of government by mainstreaming poverty-environment objectives into national development and sub-national development planning, from policymaking to budgeting, implementation and monitoring.

UNESCO: The United Nations Educational, Scientific and Cultural Organization (UNESCO) is a specialized entity of the United Nations working to build peace, eradicate poverty and drive sustainable development through setting norms and standards in education, sciences, culture and communications, as well as through building Member States' capacities for policymaking and programming in these areas. Best known for its World Heritage Sites, Biosphere Reserves, Creative Cities and other properties and networks, UNESCO's core mission is to foster respect for universal values, human rights, and fundamental freedoms. Leading United Nations' efforts to ensure no child or adult is left behind in attaining full and equal access to opportunities for quality lifelong learning, UNESCO views education as an empowering human right, and one of the most powerful tools by which socioeconomically marginalized children and adults can lift themselves out of poverty and participate fully in society. UNESCO sets norms and global standards for all levels of education, collects and disseminates official UN education data, and supports Member States to design and implement policies and programs to accelerate progress towards education goals. UNESCO's flagship Global Education Monitoring Report (GEMR) identifies emerging opportunities and challenges in

education, recommending policies and practical approaches to advance education agendas. As the only UN entity with a mandate in culture, UNESCO works to protect and safeguard the world's cultural and natural heritage - including built heritage, intangible culture and museum collections. UNESCO also supports the emergence of dynamic and inclusive cultural sectors, and builds capacities of Member States to harness the power of culture to reduce poverty and inequality in culture-sensitive and sustainable ways. UNESCO advocates for freedom of expression and universal access to information and knowledge, as foundations for informed and empowered citizenship, and for inclusive and sustainable development. UNESCO sets ethical standards and fosters international cooperation in natural as well as social and human sciences, contributing to advances in basic scientific research, as well as to ensuring that new technologies and innovations emerge that can dynamize markets, strengthen livelihoods and address global challenges such as climate change, population ageing, and water scarcity.

UNFPA: The United Nations Population Fund (UNFPA) is the lead UN agency for delivering a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled. As part of the UN humanitarian system, UNFPA takes the lead in providing supplies and services to protect reproductive health, with an emphasis on the special needs and vulnerabilities of women and young people. It supports various data collection activities, including censuses, to provide detailed information for planning and rapid health assessments to allow for appropriate, effective and efficient relief. It also assists stricken communities as they move beyond the acute crisis and enter the reconstruction phase. UNFPA believes that population trends and dynamics have an enormous effect on prospects for poverty reduction and sustainable development, given that poverty is influenced by population dynamics, including population growth, age structure, and rural-urban distribution. All of this has a critical impact on a country's development prospects and prospects for raising living standards for the poor. UNFPA supports reproductive health care for women and youth in more than 150 countries, strives to end child marriage and female genital mutilation, and provides reliable access to modern contraceptives sufficient to benefit 20 million women a year. UNFPA's latest flagship publication *The State of World Population 2017, Worlds Apart: Reproductive Health and Rights in an Age of Inequality*, discusses how the costs of inequalities, including in sexual and reproductive health and rights, could extend

to the entire global community's goals.

UN-HABITAT: The United Nations Human Settlements Programme (UN-Habitat) is the United Nations agency for human settlements and sustainable urban development. It is charged with coordinating human settlement activities within the UN system and facilitating the global exchange of information on shelter and sustainable urban development. It assists countries with policy and technical advice in solving their human settlement problems. It strives to promote socially and environmentally sustainable human settlements development and the achievement of adequate shelter for all, envisioning well-planned, well-governed, and efficient cities and other human settlements, with adequate housing, infrastructure, and universal access to employment and basic services such as water, energy, and sanitation. Through introducing participatory slum upgrading programmes and other housing programmes to developing countries, UN-Habitat contributes to reduced poverty. Its *World Cities Report 2016* conveys a clear message that the pattern of urbanisation needs to change in order to better respond to the challenges of our time, to address issues such as inequality, climate change, informality, insecurity, and the unsustainable forms of urban expansion. UN-Habitat convened the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in 2016, where the New Urban Agenda was adopted as a new framework that lays out how cities should be planned and managed to best promote sustainable urbanisation. In its publication with ESCAP titled *The State of Asian and Pacific Cities 2015. Urban transformations: Shifting from quantity to quality*, UN-Habitat highlights growing gaps between current urbanisation patterns and discusses what is needed to shift to a more inclusive and sustainable urban future, in which the role of the region's cities is unquestionably tied to national, regional and global development prospects.

UNICEF: The United Nations Children's Fund (UNICEF) provides humanitarian and developmental assistance to children and mothers in developing countries, focusing special effort on reaching the most vulnerable and excluded children, to the benefit of all children, everywhere. It also supports education for children and fights for the equal rights of women and girls, with their full participation in political, social and economic development around the world. In all of its work, UNICEF takes a life-cycle based approach, recognising the particular

importance of early childhood development and adolescence. Its programmes focus on the most disadvantaged children, including those living in fragile contexts, those with disabilities, those who are affected by rapid urbanisation and those affected by environmental degradation. UNICEF strives to overcome the obstacles that poverty, violence, disease and discrimination place in a child's path. It advocates for measures to give children the best start in life, because proper care at the youngest age forms the strongest foundation for a person's future. UNICEF's flagship report *The State of the World's Children 2017: Children in a Digital World* presents the first comprehensive look from UNICEF at the different ways digital technology is affecting children, and it outlines a set of practical recommendations that can help guide more effective policymaking and more responsible business practices to benefit children in a digital age.

UNIDO: The United Nations Industrial Development Organization (UNIDO) is a specialised agency in the United Nations that promotes industrial development for poverty reduction, inclusive globalisation and environmental sustainability. It works to promote and accelerate industrial development in developing countries and countries with economies in transition and the promotion of international industrial cooperation. UNIDO assists developing countries in the formulation of development, institutional, scientific and technological policies and programmes in the field of industrial development. It also analyses trends, disseminates information and coordinates activities in their industrial development and acts as a forum for consultations and negotiations directed towards the industrialisation of developing countries. Another crucial function of UNIDO is to provide technical cooperation to developing countries for implementing their development plans for sustainable industrialisation in their public, cooperative and private sectors. UNIDO helps eradicate poverty through productive activities and trade capacity-building. UNIDO's flagship report, *Industrial Development Report 2018 "Demand for Manufacturing: Driving Inclusive and Sustainable Industrial Development"* presents new evidence on the relative roles played by domestic and global sources of demand in driving industrialisation. The report also highlights that the development of green industries requires major shifts in consumption patterns towards the purchase of environmental goods.

WFP: World Food Programme (WFP) is the leading humanitarian organisation

fighting hunger worldwide, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience. In that role WFP assists 80 million people in around 80 countries each year. Every year, WFP distributes approximately 12.6 billion rations at an estimated average cost per ration of USD 0.31. WFP's efforts focus on emergency assistance, relief and rehabilitation, development aid and special operations. Two-thirds of its work is in conflict-affected countries where people are three times more likely to be undernourished than those living in countries without conflict. WFP partners with more than 1,000 national and international NGOs to provide food assistance and tackle the underlying causes of hunger. Drawing on its capacities and experience in addressing food insecurity and malnutrition as well as in supporting emergency preparedness and assistance, WFP engages in policy dialogues and supports governments in hunger-reduction programmes through capacity-building. The report entitled *The State of Food Security and Nutrition in the World 2017*, published jointly with the FAO, IFAD, UNICEF and the WHO discusses the current global food security situation, and analyses depicting conflict as a key driver of situations of severe food crisis and recently re-emerged famines.

WHO: The World Health Organization (WHO) is a specialised agency of the United Nations working on issues regarding international public health. Working through offices in more than 150 countries, WHO staff work side by side with governments and other partners to ensure the highest attainable level of health for all people. As the directing and coordinating authority on international health within the United Nations' system, WHO provides leadership on matters critical to health and engages in partnerships where joint action is needed, shapes the research agenda and stimulates the generation, translation and dissemination of valuable knowledge, sets norms and standards and promotes and monitors their implementation, articulates ethical and evidence-based policy options, provides technical support, catalyses change, builds sustainable institutional capacity, monitors the health situation and assesses health trends. WHO's priority in the area of health systems is moving towards universal health coverage. WHO works together with policy-makers, global health partners, civil society, academia and the private sector to support countries to develop, implement and monitor solid national health plans. In addition, WHO supports countries to assure the availability of equitable integrated people-centered health services at an affordable price,

facilitate access to affordable, safe and effective health technologies, and to strengthen health information systems and evidence-based policy-making. *2017 Global Monitoring Report*, a joint report from WHO and the World Bank, continues tracking universal health coverage. It looks at how many people globally lack access to essential health services and how many are pushed into poverty or spending too much of their household budgets on health care expenses. The findings show that, although they may have access to some health services, more than half of the world's more than 7.3 billion people do not receive all of the essential services they need.