



## IFAD in the **Near East and North Africa** region

### **Rural poverty in the region**

Poverty in the Near East and North Africa (NENA) is concentrated in rural areas. Some 60 to 70 per cent of the region's poor people live in rural areas, and on average about 40 per cent of the rural population is considered poor. Latest estimates indicate that about 95 million rural people in the region live on less than US\$2 a day and about 65 million of them live in absolute poverty, without the minimum requirements for basic survival.

Recent analyses show that the NENA region is lagging behind other developing regions in poverty reduction, economic growth, trade reform, private-sector development, governance and democratization, and gender equity.

One of the most pressing challenges in the region is the high rate of unemployment, particularly among young people. Average official unemployment rates in the region are about 13 per cent, and in some countries jobless rates among young people are twice as high.

### Natural resource and socio-economic constraints

Limited natural resources, and socio-economic, policy and institutional constraints all contribute to rural poverty in the region. In terms of natural resources, NENA is one of the driest regions in the world; good arable land is limited and acute water scarcity is widespread. Most crop farming is done on dry land and depends on rainfall. Droughts are frequent. Lack of water also poses a serious challenge to agricultural development and to the potential of agricultural growth to reduce rural poverty.

The socio-economic constraints include gender inequity, and low education levels, especially among women. These constraints are compounded by lack of adequate rural microfinance services, absence of appropriate marketing institutions for rural poor people, and insufficient public investments in physical and social infrastructure, such as rural roads and water supplies, and health and education facilities.

The rural sector is also hampered by policy and institutional constraints. These include weak representation of rural poor people through grass-roots organizations; weak civil society and private sector in rural areas; poor governance of public institutions at the national and local level; misguided agricultural price policies; and poor management of common property resources such as water and rangelands.



### IFAD Member States in the Near East and North Africa

Since its establishment in 1977, IFAD has maintained a strong presence in the NENA region. NENA Member States include 15 borrowing countries or territories: Algeria, Djibouti, Egypt, Gaza and the West Bank, Iraq, Jordan, Lebanon, Morocco, Oman, Somalia, the Sudan, the Syrian Arab Republic, Tunisia, Turkey and Yemen; and five non-borrowing countries: Kuwait, the Libyan Arab Jamahiriya, Qatar, Saudi Arabia and United Arab Emirates.

## IFAD's strategy in the NENA region

IFAD's work in the region is guided by the organization's Strategic Framework, its four thematic priorities for the region and by individual country strategic opportunities papers (COSOPs), reflecting governments' own priorities in rural development and prepared in consultation with governments, donors and other partners. The thematic priorities encompass: (i) a new focus on managing land and water resources for poverty reduction, including the key role of empowerment of community-based resource management groups; (ii) achieving a breakthrough in rural microfinance by building partnerships with leading organizations in this area and collaborating with commercial banks and major regional financial institutions; (iii) tackling rural unemployment by using the results of ongoing action research to identify effective, targeted interventions and; (iv) linking smallholder farmers and the rural poor with international markets by assisting NENA countries in developing export markets for non-traditional products and by working with existing private sector or NGO initiatives in this area.

IFAD's experience in the region has shown that, with the right support, local people can sustainably manage the natural resources on which their livelihoods depend.



### Targeting the poorest groups

As of December 2006, total IFAD loan commitments in the NENA region amounted to US\$1.3 billion invested through 105 programmes and projects in 15 countries. Of these 105 programmes and projects, 31 are ongoing for a total loan amount of US\$500 million. This current loan portfolio has generated about US\$300 million in cofinancing from other donor organizations and domestic sources.

The IFAD portfolio in the NENA region also includes a substantial amount of regional research grants – covering both borrowing and non-borrowing Member States – as well as country-specific grants. Currently, the grant portfolio consists of 38 regional and country-specific research grants for a total of US\$26 million.

The IFAD portfolio in the NENA region also includes a substantial amount of regional research grants – covering both borrowing and non-borrowing Member States – as well as country-specific grants. The ongoing NENA grant portfolio consists of 17 regional research grant projects for a total of US\$20 million, and 26 country-specific grant projects for a total of US\$9 million.

The regional research grants sponsored by IFAD in the region, are mostly designed and implemented by regional centres of the Consultative Group on International Agricultural Research (such as the International Center for Agricultural Research in the Dry Areas), and by Arab research organizations such as the Arab Organization for Agricultural Development, the Arab Centre for the Studies of Arid Zones and Dry Lands, and the International Centre for Biosaline Agriculture. These grant projects are cofinanced by many international financial institutions, such as the Arab Fund for Economic and Social Development, the Organization of the Petroleum Exporting Countries Fund for International Development and the Islamic Development Bank.



### State legislation supports community groups in the Sudan

In the Sudan, IFAD's focus on good governance and the devolution of management of natural resources to users' groups has resulted in state legislation in favour of community organizations in North and South Kordofan. The legislation gives the groups a wide mandate. A total of 324 organizations have been registered, reaching more than 47,000 households. The groups carry out activities in communal range management, afforestation, microfinance, and productive and social skills. A quota of 30 per cent ensures women's representation on executive committees.

### IFAD works with herders' cooperatives in Morocco

In Morocco, the Tafilalet and Dades Rural Development Project worked with herders' cooperatives to protect grazing land and fight against sand encroachment. Together the cooperatives and the project put 110,000 hectares of rangeland to rest and planted forage crops over 4,500 hectares, thus protecting the common rangeland resources. They also fixed sand dunes by planting 221 hectares of palm trees and in this way reduced the silting up of irrigation infrastructure.

### Forests rehabilitated by local groups in Tunisia

In Tunisia, the Integrated Agricultural Development Project in the Governorate of Siliana, which was completed in 2005, worked with local community-based organizations to protect the forest areas of the Bargou region. Before the project, deforestation and overgrazing threatened the forestlands. During the project, overgrazing was reduced, contour ploughing cut soil erosion and the forest ecosystem was gradually rehabilitated, with shrubs and woodlands recovering and endangered species reappearing.

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## Building a poverty-free world

IFAD is a specialized agency of the United Nations dedicated to combating rural poverty in the most disadvantaged regions of the world.

Through both low-interest loans and grants, it develops and finances programmes and projects that enable rural poor people to overcome poverty themselves.

There are 187 ongoing IFAD-supported rural poverty eradication programmes and projects, totalling US\$6.2 billion. IFAD has invested more than US\$2.9 billion in these initiatives. Cofinancing has been provided by governments, project participants, multilateral and bilateral donors and other partners. Since starting operations in 1978, IFAD has invested US\$9.0 billion in 705 programmes and projects around the world. These operations have enabled nearly 300 million small farmers, herders, fishers, landless workers, artisans and members of indigenous communities to take steps to achieve a better life for themselves and for their families.

Working with partners, including rural poor people, governments, NGOs, financial and development institutions, and the private sector, IFAD tackles poverty not just as a lender but also as an advocate for rural poor people. One of its priorities is to assist rural poor people in developing and strengthening their organizations so that they can advance their interests and remove the obstacles that prevent so many people, especially women, from creating a better life for themselves. In this way, rural poor people are able to participate more fully in determining and directing their own development.



Enabling the rural poor  
to overcome poverty

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