



IFAD in TURKEY



The Republic of Turkey occupies a unique geographical and cultural position at the crossroads of Europe and Asia. Turkey has a total land area of 78 million hectares and a population of more than 71 million. About one third of the land is arable, and 26 per cent of the population lives in rural areas.

Since the formation of the modern state of Turkey in 1923, the economy had grown rapidly. However, economic growth slowed in the mid-1990s in the wake of a fiscal and monetary crisis. There are wide disparities in income between the more prosperous, industrialized parts of the country in the west and south-west, and the less developed provinces in the rest of Turkey. In 2002, gross national income was USD 2 490 per capita.

The International Fund for Agricultural Development (IFAD) supports the Turkish Government's poverty-reduction policy, which gives priority to the development of economically depressed regions. In remote areas, particularly in mountainous regions, the lack of physical and social infrastructure, such as roads, schools and hospitals, exacerbates the isolation of rural people.

IFAD-funded projects help rural poor people overcome economic, physical, intellectual and social isolation. IFAD loans support projects that help rural poor people, particularly women, improve their living conditions and overcome poverty.

The recently launched Sivas-Erzincan Development Project in central Anatolia is IFAD's sixth project in Turkey. Since 1982, IFAD has lent a total of USD 91 million to support development activities in Turkey that help rural poor people increase their incomes, diversify their livelihoods and participate in the decisions that shape their lives.



Agriculture represents about 13 per cent of GDP – and has been declining steadily over the last 30 years. Yet agriculture still employs 45 per cent of the workforce, including more than 90 per cent of rural women working outside the home.

In 2000 Turkey registered a trade deficit in agriculture and forestry products for the first time in its history. Wheat is the country's principal crop. Turkey is the world's second largest exporter of pasta and ranks third in wheat-flour exports, with a 10 per cent share of the world market. Other crops include cotton, sugar beet, tobacco, vegetables, fruit and nuts.

ongoing projects

ordu-cireşun rural development project

Total cost: USD 51.2 million

IFAD loan: USD 20.0 million

Approved: 2000

Direct beneficiaries: 44 000 households

Cofinancers: Islamic Development Bank (USD 12.3 million)

This agricultural development project benefits some 44 000 households in Turkey's eastern Black Sea region, where more than 80 per cent of the population has no access to safe or adequate water supplies or opportunities for off-farm income. Severe environmental degradation affects about 4 per cent of the 320 villages involved in the project, mainly in high forest and mountainous areas.

The project's goal is to enable rural poor people in Anatolia, particularly women, to improve their incomes and living conditions through sustainable use of natural resources. The project helps the poorest farmers and livestock keepers improve livestock, crop and forestry production and encourages their participation in village development plans. It provides assistance in developing alternative sources of income, such as bee-keeping, and promotes improvements in infrastructure, including roads and village water systems.

The project finances 32 small-scale irrigation systems, mainly in dry southern zones, and delivers them to the water-users' groups that contributed to their design and construction.

sivas-erzincan development project

Total cost: USD 30.0 million

IFAD loan: USD 13.1 million

Approved: 2004

Direct beneficiaries: 50 000 people

Cofinancer: Organization of the Petroleum Exporting Countries (OPEC) Fund (USD 9.9 million)

About 200 villages in two of Turkey's poorest provinces will benefit from this USD 30.0 million project designed to improve agricultural production, expand employment opportunities and foster community development. The seven-year project targets some 50 000 people in the provinces of Sivas and Erzincan, where rural poverty is widespread. An IFAD loan of USD 13.1 million, together with a USD 9.9 million loan from the OPEC Fund, and contributions from the government and beneficiaries, will support the government's poverty-reduction efforts in the area.

A key aspect of the Sivas-Erzincan project is community-driven development. The project helps establish various village associations, including development committees, cooperatives, women's farming groups, and water users' and grazing associations, and provides training and technical assistance to their managers and members. It then works with these groups to address constraints on agricultural production, such as limited access to basic financial services, marketing opportunities and technical knowledge. It also establishes opportunities for microenterprise that allow poor people to diversify their incomes.

closed projects

Erzurum rural development project

The first IFAD-funded project in Turkey became effective in 1982. Working in partnership with the International Bank for Reconstruction and Development (IBRD), IFAD financed a loan of USD 20.0 million to support the USD 104.7 million project for rural development in the Erzurum area. The project operated in the region for seven years and was completed in 1989.

Agricultural extension and applied research project

IBRD and IFAD were development partners in this project, begun in 1984. The total project cost was USD 167.5 million, and IFAD's financing amounted to USD 10.0 million. The project was completed in 1994.

Bingöl-mus rural development project

This seven-year project became effective in 1990. An IFAD loan of USD 19.9 million supported the project's total cost of USD 52.2 million.

Yozgat rural development project

Working with the United Nations Office for Project Services, IFAD initiated the Yozgat project, which became effective in 1991. An IFAD loan of USD 16.4 million covered part of the USD 40.5 million total cost. The project was completed in 1999.

IFAD's regional strategy for poverty reduction

Turkey is part of IFAD's Near East and North Africa region, which includes countries with widely diverse economies, income levels and natural resources. The region's total population is about 273 million and about half live in rural areas.

On average, the agricultural sector's contribution to the region's national economies is low – about 16 per cent. But in many countries, such as Turkey, as much as half the population depends on agriculture for its livelihood. This is a reflection of the sector's low productivity and the poor integration of rural poor people into the overall economy.

Since it began operations in the region, IFAD has maintained a strong presence, with strategic objectives that focus on four main areas:

- empowering rural poor people, so they can have more say in the decisions and policies that affect their lives and may perpetuate their poverty;
- diversifying productive activities, so rural poor people can find alternative income sources in order to feed their families, send their children to school and improve their standard of living;
- addressing gender inequalities and improving the status of women. Despite the important role that women play in the rural sector, significant gender inequalities are widespread in the region;
- improving the management of natural resources. People in the region face severe natural resource constraints. Sustainable environmental management is closely linked to growth in the agriculture sector and the reduction of rural poverty.

To achieve these objectives, IFAD's investments support:

- community development and institution-building;
- promotion of appropriate technologies for marginal and dryland areas;
- long-term, on-farm investment;
- rural infrastructure;
- rural financial institutions.

Building a poverty-free world

IFAD is a specialized agency of the United Nations dedicated to eradicating poverty and hunger in developing countries. Through low-interest loans and grants, it develops and finances projects that enable rural poor people to overcome poverty.

Since its inception in 1978, IFAD has invested USD 8.1 billion in 653 projects and programmes in 115 countries and territories around the world.

These projects have enabled more than 250 million small farmers, herders, fisherfolk, landless workers, artisans and indigenous peoples to take steps to achieve a better life for themselves and their families.

IFAD tackles poverty not just as a lender, but as an advocate for the rural poor. Central to its work is the belief that rural poor people must shape and lead their own destinies if poverty is to be seriously reduced. For that reason, IFAD focuses on local rural development and acts as a catalyst, bringing together donors, non-governmental organizations and community groups working at the grass-roots level.



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