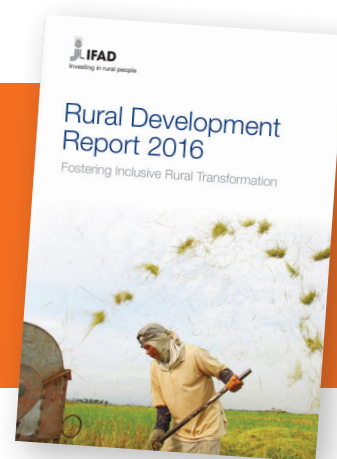


Rural Development Report 2016

# Structural and rural transformation in Africa



## About the Rural Development Report

The IFAD Rural Development Report 2016 focuses on inclusive rural transformation as a central element of global efforts to eliminate poverty and hunger, and build inclusive and sustainable societies for all. The report analyses global, regional and national pathways of rural transformation. It suggests four categories into which most countries and regions fall, each with distinct objectives for rural development strategies to promote inclusive rural transformation: to adapt to changing conditions while sustaining progress in transformation and inclusion, to amplify the inclusiveness of growth while sustaining the pace of transformation, to accelerate the pace of transformation without sacrificing inclusion, and a combination of all three. The report presents policy and programme implications in various regions and thematic areas of intervention, based both on rigorous analysis and on IFAD's 40 years of experience investing in rural people and enabling the inclusive and sustainable transformation of rural areas.

## Key findings

In sub-Saharan Africa, the dominant narrative of a fast-transforming continent showing mixed but generally positive performance is valid, but must be tempered by the recognition of challenging trends that threaten progress in some countries. Agriculture shows healthy growth in both output and productivity, but the commodity mix has not been significantly diversified across most of sub-Saharan Africa. The picture that emerges is of an expanding agricultural sector, but one with weak foundations that are preventing a broad-based reduction in poverty and inequality. Nevertheless, Africa's rural areas are transforming deeply and rapidly.

With respect to the hypotheses tested in the report regarding the impact of structural and rural transformation on poverty reduction and social inclusion, the evidence shows that 23 out of 28 countries registered quite fast structural and rural transformation over the period under analysis. However, only 15 of these 23 countries managed to cut poverty quickly. The burden of high population growth rates, poor infrastructure, and policy and institutional gaps is heavy. Notably, however, nine relatively slow transformers were able to reduce poverty at quite fast rates. These cases confirm that the demographic and political challenges facing African countries are not insurmountable. They also show that the direction and quality of public investment is central to inclusive development pathways.

Because of the continued "youth bulge" in the labour force across the continent, inclusive transformation must focus on employment for rural youth in agriculture and the rural non-farm economy. Despite rapid urbanization, projections indicate that the waves of young people reaching adulthood and seeking to establish families and livelihoods will be predominantly rural in sub-Saharan Africa for at least two more decades.

## Moving forward

Agriculture is the primary source of employment, and will continue to be called on to absorb new entrants to the labour force. Increased agricultural productivity and improvements in agriculture-related rural livelihoods will continue to be the primary avenues through which such inclusion is achieved in the near future. Enhanced agricultural growth will also drive growth in the rural non-farm sector. Targeted investment in infrastructure, skills development and increased access to land and finance are critical, particularly for young people. Rapid urbanization and fast-changing food consumption patterns point to continued demand-driven changes in agrifood systems as high-potential sources of employment and income growth in rural areas.

The full report can be viewed and downloaded at:

[www.ifad.org/ruraldevelopmentreport](http://www.ifad.org/ruraldevelopmentreport)



Investing in rural people