

Expanding Livelihood Opportunities for Poor Households

International conference on

The territorial approach in agricultural and
rural policies:
An international review

Rome
November 4th and 5th, 2010

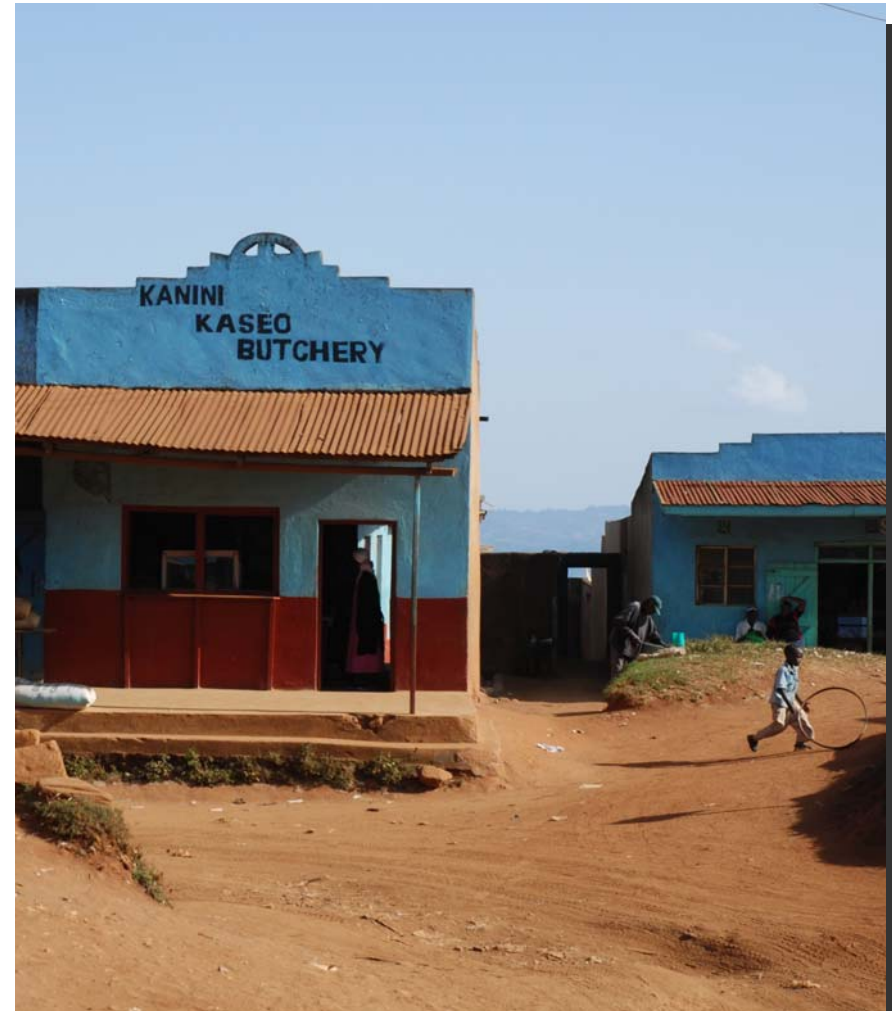
Jean-Paul Lacoste, Ford Foundation



FORDFOUNDATION

What is the Problem?

- Worldwide, 1.4 billion people live in extreme poverty, earning less than \$1.25/day
- 75% of the world's extreme poor live in rural areas
- Many of these households earn their living from the entrepreneurial use of natural resources or by participating in the nonfarm economy



Challenges Faced by Rural Households



- Many rural income-generating activities are characterized by low-productivity
- Rural markets often do not work well for poor households on the input and output side
- Most households lack access to affordable sources of financing for household and business activities

Institutional responses to these problems have limitations

- Delivery of Financial Services
 - Products often not adapted to needs of rural producers
 - Delivery channels are often inaccessible
 - Financing for each stage of the value chain is not available
- Provision of Technical/Business Development Services
 - Often not available at all or not based on market principles
 - Lack of understanding of best practice
 - Retail institutions lack human resources to deliver the services
- Public Policy
 - Typically lack of public policies focused on rural livelihood development
 - Public bureaucracies often are not responsive to needs of poor producers at the local level

The response from the Foundation: strategic grantmaking

- A commitment with the most marginalized, including women, the poorest of the poor and ethnic minorities
- An asset perspective
- Diversity of partners
- Innovation
- Long term commitment
- Building capacity
- Multiple approaches
- Working simultaneously at local, national, regional and global levels
- Scale

Goals of the Initiative “Expanding Livelihood Opportunities for Poor Households”

- Aspiration: Reduce poverty of rural households and communities
- Long term Goal: Improve the infrastructure for the delivery of financial, business development, and organizational development services to poor rural and urban households



The initiative has **FOUR APPROACHES**



1 Research and Development

Approach: Research & Development

Grantee: Social Investment Fund (FIS)

Objective: to develop an innovative business model for the massive commercialization of solar panels to poor rural households in Peru and Argentina





Approach: Research & Development

Grantee: University of California, Davis, in collaboration with the Government of Ecuador

Objective: To design and test an innovative index-based crop insurance



I₄ Index Insurance Innovation Initiative



Approach: Research & Development

Grantee: SNV, The Netherlands and Ecuador

Objective: To scale up **inclusive business** development in Latin America through identification, systematization and dissemination of best public and private practices





2 Building Livelihood Support Organizations

CATIE



Approach: Impact Assessment

Grantee: Tropical Agricultural Center for Research and Training (CATIE), Costa Rica

Objective: To design, test and disseminate a tool to assess the impact of value chains on poverty



Approach: Building Support Institution

Grantee: Regional Program for Training in Rural Development (PROCASUR), Chile

Objective: For a cooperative learning model to promote successful and scalable practices in rural finance in Asia, Africa and Latin America



3 Public Policy Analysis and Advocacy

Approach: Public and Private Policies

Grantee: Institute of Peruvian Studies, Peru

Objective: To promote well-targeted, demand driven financial services and profitable operations by public agricultural banks, improving access of low-income people to financial services in rural areas





4 Global Networking



World Business Council for Sustainable Development



Creating inclusive business opportunities:
Linking local communities with big business

ABOUT THE WBCSD - SNV ALLIANCE

Background and outlook

About WBCSD

About SNV

About this blog

Video footage of inclusive business in action

The Business Call to Action ([BCTA](#)) is a global effort focused on challenging big businesses to move beyond philanthropy to implement inclusive business initiatives that apply their core business and skills in a transformative and scalable manner, which in turn will enhance growth and contribute to the achievement of the Millennium Development Goals ([MDGs](#)).

It features a number of interesting videos displaying inclusive business in action. Find below a [three-minute video](#) about BCTA and highlighting of the inclusive business initiatives being pursued by participating companies. For more information on some of these initiatives led a.o. by Coca-Cola, Unilever, Chartered, Vodafone, Thomson Reuters, and others, check out [this video](#) as well as [this one](#).



SEARCH THIS BLOG

Google™ Búsqueda Buscar x
con la tecnología de Google™

RECENT POSTS

Video footage of inclusive business in action

What prospects for pro-poor commercial forestry?

2010 event series on inclusive business

Charting a course to realize the full potential of impact investing

New support for inclusive business initiatives through Business Innovation Facility

Advancing poverty reduction

Approach: Regional/Global Networking

Grantee: SNV, The Netherlands and Ecuador

Objective: To disseminate best practices, share experiences, strengthen collaboration and make policy recommendations on livelihood promotion

Extractive industries

Approach: Multiple

Grantee: Latin American Center for Rural Development (RIMISP), Chile

Objective: to increase knowledge, build capacity and influence public policies in rural territorial development processes based on cultural identity





Thank You!