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Combating poverty

Report of the Secretary-General

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INTRODUCTION

1. The present document reports on progress in the implementation of Agenda 21, chapter 3, Combating poverty, 1/ during the past year, with special reference to the decisions and recommendations made by the Commission on Sustainable Development at its third session. The report was prepared by the Department for Policy Coordination and Sustainable Development, United Nations Secretariat, as task manager for chapter 3 and is the result of consultations and cooperation among governmental officials, focal points in United Nations agencies and a number of institutions.

2. Many strategies to combat poverty were considered in the report submitted to the Commission at its third session (E/CN.17/1995/14). The current report concentrates on summarizing major developments and progress since then, focusing on linkages between poverty eradication and sustainable development.

I. OUTCOMES ON COMBATING POVERTY OF MAJOR UNITED NATIONS CONFERENCES, 1991-1996

3. Poverty eradication emerged as an objective of the highest priority at all the major United Nations conferences convened within the past five years. At the United Nations Conference on Environment and Development (Rio de Janeiro, 1992) (UNCED), it was addressed within the context of sustainable development. At the International Conference on Population and Development (Cairo, 1994), the interaction between demographic factors, poverty and development was emphasized. 2/

4. The World Summit for Social Development (Copenhagen, 1995), which took place just before the third session of the Commission, was the culmination of prior conferences on social issues, and poverty eradication was one of the major objectives that was put forward in the Copenhagen Programme of Action. 3/ In particular, the Summit urged that Governments integrate poverty eradication goals into overall economic and social policies by designing and implementing environmental protection and resource management programmes in accordance with Agenda 21. At its fiftieth session, in resolution 50/161, the General Assembly gave the Commission for Social Development primary responsibility for following up on and reviewing the implementation of the outcome of the Summit.

5. One of the major events after the Summit was the Fourth World Conference on Women (Beijing, 1995). In addition to reinforcing the recommendations included in the Copenhagen Programme of Action, the Beijing Platform for Action provides an analysis of and concrete recommendations on the interlinked issues of women, poverty and the environment and urges the integration of gender perspectives into programmes and policies. It also reaffirms the importance of linkages between poverty, environmental degradation and the status of women. 4/ In resolution 50/203, the General Assembly decided that the Commission on the Status of Women should have a central role in monitoring the implementation of the Beijing Platform for Action.

6. The Second United Nations Conference on Human Settlements (Habitat II), to be held in June 1996, will address two main themes: adequate shelter for all, and sustainable human settlements development in an urbanizing world. In the draft Habitat agenda (A/CONF.165/PC.3/4), both poverty eradication and sustainable development are seen as essential for sustainable human settlements.

7. At its forty-eighth session, in resolution 48/183, the General Assembly proclaimed 1996 as International Year for the Eradication of Poverty. As part of the follow-up to the Social Summit, Governments are urged to formulate or strengthen, preferably by the end of 1996, national policies and strategies for reducing overall poverty and eradicating absolute poverty by a clear target date to be specified by each country. Events and activities for the observance of the Year have been proposed (A/50/551). In 1996, as part of the activities relating to the Year and in response to recommendations made in the Copenhagen Programme of Action, the General Assembly is to review the implementation of the Programme of Action with regard to poverty eradication. ^{5/} Also in response to recommendations in the Programme of Action, at its fiftieth session in resolution 50/107, the General Assembly proclaimed the First United Nations Decade for the Eradication of Poverty (1997-2006).

8. Another international conference related to the question of sustainable development and poverty was the United Nations Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks, which adopted an agreement in August 1995. ^{6/} The way in which high-sea fisheries are managed has implications for overall fish stocks and thus, coastal fishing, which provides livelihoods for large numbers of poor people in developing countries.

9. As of 3 November 1995, the International Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, had been signed by 115 countries and ratified by 14. It is expected to enter into force no later than the second half of 1996 (A/50/74/Add.1). The Convention represents a fundamental shift in the world community's response to desertification and is expected to lead to targeted programmes directed to many poor communities in areas affected by desertification.

10. Since young people are particularly vulnerable to the effects of poverty, the World Programme of Action for Youth to the Year 2000 and Beyond, adopted by the General Assembly in resolution 50/81, calls for specific measures to address the juvenilization and feminization of poverty. It proposes that Governments provide young people with skills-training for income-generating activities, land grants, and more incentives to work on farms, and that non-governmental organizations incorporate urban and rural youth into food production and distribution schemes.

11. It is recognized that economic growth is not enough to bring about poverty eradication, through a trickle-down process; measures must be formulated to target the people who live in poverty. To deal with the multifaceted nature of the problem in the context of sustainable development, a consensus has emerged that initiatives should include the following components and take into account the dynamic role played by women:

- (a) Income-generating programmes;
- (b) Universal access to health care, including reproductive health, education and other basic services;
- (c) Access to credit;
- (d) Sustainable rural development programmes;
- (e) Programmes for the urban poor;
- (f) Programmes for women in poverty. 7/

Furthermore, efforts should be made to promote the active participation of the people living in poverty and low-income communities in the design, implementation and evaluation of programmes for the reduction and eradication of poverty.

II. REVIEW OF PROGRESS ACHIEVED

A. Government level

12. Seven cases of national programmes on poverty eradication were reported to the General Assembly in 1995 (A/50/396). Indonesia is reported to have reduced absolute poverty from 60 per cent of the population in 1960 to 14 per cent in 1994, mainly through income-generating schemes. The first phase of the programme, which involved the United Nations Development Programme (UNDP) and FAO, dates back to 1979. The second phase was started in 1989 with the cooperation of UNDP, the International Fund for Agricultural Development (IFAD) and the Government of the Netherlands. Other countries are at various stages of programme formulation, with support from the United Nations system, and sometimes from other donor communities. In Pakistan, the United Nations Common Agenda for Pakistan, the draft country strategy note and the social action plan all focus on institutional reforms, the empowerment of women, and basic education. In Sri Lanka, where roughly one third of the population is below the poverty line, mass-scale poverty alleviation was given a top priority in 1989. A participatory approach was adopted in programmes ranging from credit schemes to basic needs provisions. A major coordination effort among the United Nations agencies is expected to emerge from the elaboration of the country strategy note, which started in 1993. In the Philippines, the United Nations Joint Consultative Group on Policy started a pilot effort for concerted inter-agency action to combat poverty. Helped by the establishment of the Presidential Commission to Fight Poverty, the collaborative effort produced the National Development Plan and a strategic framework document entitled "A strategy to fight poverty". In Zimbabwe, UNDP assisted the Government in designing a comprehensive poverty alleviation action plan, which seeks to broaden the overall scope, coverage and impact of social programmes targeted at people in poverty by giving special emphasis to employment creation and self-reliance activities. In Malawi, a joint Government/United Nations analysis of poverty was carried out in 1993 and adopted by the Government as a basis for attacking poverty. The analysis recommended that strategies focus more on existing

structural constraints and institutional weaknesses in the design and implementation of anti-poverty programmes. Ways of implementation and inter-agency collaboration are now being sought. In Jamaica, UNDP has been working on the formulation of a comprehensive poverty-reduction programme and organization of inter-agency collaboration.

B. International cooperation and activities of United Nations agencies

13. Since the issue of poverty eradication is complex and multisectoral, inter-agency mechanisms are being set up by the Administrative Committee on Coordination (ACC) to develop and implement United Nations system-wide poverty eradication strategies.

14. The Working Group on Poverty of the ACC Consultative Committee on Programme and Operational Questions (CCPOQ) has reported on the work of the United Nations agencies on poverty alleviation (ACC/1995/POQ/CRP.19, annex). Furthermore, at its second regular session of 1995, ACC decided to establish three inter-agency task forces to follow up on the cross-cutting themes of recent global conferences which are inevitably closely linked to poverty eradication:

(a) Basic social services for all (chaired by the United Nations Population Fund (UNFPA));

(b) Full employment and sustainable livelihoods for all (chaired by the International Labour Organization (ILO));

(c) An enabling environment for people-centred sustainable development (initially to be chaired by the World Bank). 8/

Following the ACC meeting, the twenty-ninth series of Joint Meetings of the Committee for Programme and Coordination (CPC) and ACC were held on the theme Coordination of the activities of the United Nations system for the eradication of poverty. The Joint Meetings agreed that poverty eradication should be a top priority for the work of the United Nations system. They emphasized the importance of coordination at the country level and of creating a supportive international economic environment. It was also recognized that the efforts of the United Nations system needed to be integrated with those of Governments and non-governmental organizations at the community and national levels.

15. As the report of the ACC/CCPOQ Working Group on Poverty spells out, almost all the specialized agencies and certain United Nations organs, such as the regional economic commissions, have their own poverty alleviation programmes. Furthermore, at the above-mentioned ACC meeting, UNDP announced that, as part of a concerted attack on poverty, it would provide support to United Nations Resident Coordinators and use its own programme resources to promote an integrated focus on poverty elimination at the country level. Although those efforts are aimed at overall poverty reduction and do not necessarily address linkages with the environment, a number of agencies do explicitly address linkages between poverty and environmental issues. As an agency having the alleviation of rural poverty as its sole mandate, IFAD was a forerunner in that

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regard. Since UNCED, it has been restructured to increase efficiency and to reflect better the focus of Agenda 21 on poverty and environment (E/CN.17/1996/16). Its activities involve sustainable agriculture and the management of resources, including soil and water conservation. FAO's rural activities also focus on the impact of poverty on the environment. Its strategy is aimed at promoting efficient and sustainable "harvesting", or use, of natural resources and minimizing, arresting and reversing environmental degradation by the activities of the rural poor. In accordance with its mandate, all activities of UNEP, including combating poverty, are focused on the environment. UNDP approaches poverty in a comprehensive framework, including linkages to environmental issues. The role of the United Nations Capital Development Fund, an organ of UNDP, has been important in that regard, by implementing programmes that reach the poor directly. In order to increase its efficiency, the Fund has been actively seeking direct partnerships with local authorities and community institutions over the past few years. The United Nations Children's Fund (UNICEF) has been a strong promoter of delivering basic services as one of the most cost-effective ways of combating poverty, in line with the 20/20 initiative which found support at the Social Summit. ^{9/} Basic social services include low-cost water and sanitation services, along with basic education, primary health care and family planning services and nutrition programmes. Moreover, since 1993 a policy has been in place to integrate primary environmental care into all UNICEF-assisted programmes. ^{10/} Within its overall approach, UNFPA programmes also examine and seek solutions to the consequences of the interaction between population pressure, poverty and environmental degradation. Poor women in priority countries are the main beneficiaries of most UNFPA assistance. In an effort to reach the poor in a more direct manner, the World Bank has associated itself with the Consultative Group to Assist the Poorest, launched in June 1995, to channel \$200 million to the poorest people through micro-finance. The Bank has also been active in promoting participatory approaches. In addition, since UNCED, the Bank has adopted a four-part agenda to integrate environmental concerns into its projects, two of which are especially relevant to the issue of poverty: it screens all of its projects for environmental impacts, including those on poverty alleviation, and promotes "win-win" strategies, which place emphasis on investing in people and promoting the efficient use of resources. UNESCO works to combat poverty by attempting to reduce illiteracy and provide basic education. In a limited number of African countries, UNESCO will be implementing a pilot project of income-generating programmes that include micro-credit. The United Nations Centre for Human Settlements (UNCHS) addresses sustainable human settlements development, paying particular attention to the urban poor. The World Health Organization (WHO) focuses on linkages between health, poverty and the environment. The poverty alleviation programmes of the United Nations Industrial Development Organization (UNIDO) involve designing industrial production to meet basic human needs, by focusing on small and medium-sized enterprises, including micro-industries, especially agro-related industries, with particular attention given to involving women. Environmentally sustainable industrial development is one of the five development priorities of UNIDO. The ILO activities related to poverty and the environment emphasize the importance of full employment and income-generating opportunities in rural and urban areas and for disadvantaged groups, including women and indigenous people. Its activities on the workplace environment, carried out in collaboration with Governments, employers' and workers'

organizations, also contribute to both environmental protection and poverty alleviation.

16. Many agencies of the United Nations system also undertake analytical work on the nature and causes of poverty, including the development and improvement of methods to measure all forms of poverty, as was urged in the Copenhagen Programme of Action. ^{11/} For example, UNEP has a major programme on environmental economics, focusing on environmental impact assessment, environmental and natural resource accounting, valuation of environmental goods and services, and the use and promotion of economic instruments, all designed and targeted to a more integrated and comprehensive approach to development, including combating poverty. There is a special focus in the Management of Social Transformation (MOST) programme of UNESCO on fostering a better understanding of the nature, causes and consequences of poverty and contributing to strategies for eradicating extreme poverty. The United Nations Conference on Trade and Development (UNCTAD) created a Standing Committee on Poverty Alleviation in 1992 and has analysed poverty in relation to various aspects of sustainable development, including environmental sustainability. The Committee is an intergovernmental body with open, universal membership. It has provided a forum for the exchange of information and national experiences. The Economic Commission for Asia and the Pacific (ESCAP) Committee on Poverty Alleviation through Economic Growth and Social Development has a major work programme on the extent of poverty in its region. At its second session, in September 1995, it pointed out that efforts were still needed to improve the quality and coverage of poverty-related data and underscored the strength of the linkages between poverty and environmental and gender issues. ^{12/} After UNCED, the Economic Commission for Africa (ECA) created a subprogramme on poverty alleviation through sustainable development to address linkages between food and agriculture, population, the environment and human settlements, which are at the heart of the development crisis in Africa. A thematic conference of African ministers responsible for sustainable development and the environment has since been established and the first session is expected to be held in March 1996. It will provide a forum for interministerial dialogue and consultations with the non-governmental sectors. The most recent work on poverty and income distribution carried out by the Economic Commission for Latin America and the Caribbean (ECLAC) is published in the 1995 issue of Panorama Social de America Latina. ^{13/} The publication is in its second year. The Economic and Social Commission for Western Asia (ESCWA) has also carried out a number of studies on combating poverty.

C. Major groups

17. At UNCED, it was recognized that major groups, including non-governmental organizations, were important forces for the implementation of Agenda 21, including chapter 3. In subsequent global conferences, it was further recognized that major groups play particularly important roles in combating poverty, mainly owing to their ability to reach the poor directly or to the fact that they represent the vulnerable groups themselves. They are particularly effective in increasing the participation of the affected groups in the development and implementation of strategies of assistance. Several non-governmental organizations and such organizations as farmers' and women's

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cooperatives are involved in micro-credit and other micro-enterprise schemes. They are also involved in sustainable agriculture and fisheries. ^{14/} They have the advantage of being close to the people and communities that are suffering from poverty. However, many of them are small in size and lack skills, funds and organizational capacity.

III. OPPORTUNITIES AND CONSTRAINTS FACED IN THE IMPLEMENTATION OF CHAPTER 3

18. Poverty eradication has emerged through recent global conferences as a top priority within the United Nations system, and the United Nations system has begun to strengthen its inter-agency cooperation in pursuit of that goal. The Economic and Social Council, at its sixtieth plenary meeting, in decision 1995/321, decided that the theme at the coordination segment of its substantive session of 1996 would be Coordination of the activities of the United Nations system for the eradication of poverty. At the country level, further efforts might be required for inter-agency cooperation. The development of a country strategy note was regarded as a step in the right direction by the Joint Meetings of CPC and ACC. In addition to inter-agency cooperation on operational activities, UNESCO is proposing to establish a clearing-house where information on effective policies and experiences on poverty eradication can be collected and disseminated widely.

19. At the national level, inadequate national institutional capacity for planning and implementation has been identified as one of the major constraints to poverty and environment programmes. As for population and resource management programmes, the main bottleneck is a lack of financial and human resources.

20. Major groups, including non-governmental organizations, have been having an increasing impact at major conferences, and the prospect of their even greater involvement in the implementation of Agenda 21 - particularly in programmes to combat poverty - has been recognized. The World Bank and UNDP are increasingly working with them. In fiscal 1995 in addition to holding regular meetings with non-governmental organizations, the World Bank organized workshops in Argentina, Colombia, the United Republic of Tanzania and Washington, D.C., in order to encourage their active participation in the Bank's operations. The micro-finance programme of the World Bank, launched in June 1995, also anticipates the active involvement of non-governmental organizations. Community-based programmes of UNDP also increasingly involves non-governmental organizations, such as Trickle-Up, which assists micro-entrepreneurs. In addition, the United Nations Capital Development Fund provides funds to community-based non-governmental organizations and local authorities.

IV. CONCLUSIONS AND RECOMMENDATIONS

21. As part of the follow-up to the World Summit for Social Development and in conjunction with the observation of International Year for the Eradication of Poverty, Governments have been urged to formulate and strengthen their

strategies for poverty eradication. The Commission may wish to recommend that those strategies include, as appropriate, linkages to environmental issues.

22. Both poverty and environmental degradation are seen as partially the result of tendencies inherent in contemporary economic systems to externalize the environmental and social costs of market-driven economic activities. However, more analytical work might be undertaken to improve understanding of the causal linkages between poverty, population and other socio-economic and environmental variables, to derive better measurements of poverty, and to formulate sustainable development strategies.

23. The important roles played by the major groups, including non-governmental organizations, in implementing programmes of poverty eradication have been recognized. More consideration might be given to how better to organize their involvement. Governments, international organizations and other donor communities are urged to develop ways to strengthen cooperation with local and international non-governmental organizations and other major groups.

24. In the light of the intergovernmental and inter-agency frameworks being established to follow up implementation of the outcomes of the major conferences and of further consideration planned by the Economic and Social Council on the theme Coordination of the activities of the United Nations system for the eradication of poverty, the Commission may wish to continue to focus its work on linkages between poverty and environment.

Notes

1/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992 (United Nations publication, Sales No. E.93.I.11).

2/ Report of the International Conference on Population and Development, Cairo, 5-13 September 1994 (United Nations publication, Sales No. E.95.XIII.18), chap. I, resolution 1, annex.

3/ Report of the World Summit for Social Development, Copenhagen, 6-12 March 1995 (A/CONF.166/9) chap. I, resolution 1, annex II.

4/ Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995 (A/CONF.177/20), chap. I, annex II, chaps. VI.A and IV.K.

5/ Report of the World Summit on Social Development ..., para. 95.

6/ See Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks (A/50/550).

7/ Mainstreaming gender in poverty eradication programmes does not exclude the elaboration of women-specific programmes since women represent a disproportionately large share of the poor population.

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8/ Consideration was given to the establishment of another inter-agency task force, which would be oriented towards the outcome of the Fourth World Conference on Women. The final decision is likely to be made at the next session of ACC, in April 1996, after consideration by the General Assembly at its fiftieth session of the outcome of the Conference.

9/ This refers to an initiative taken up by the Social Summit to induce interested developed and developing countries to agree on a mutual commitment to allocate, on average, 20 per cent of ODA and 20 per cent of the national budget to basic social programmes. See Report of the World Summit for Social Development ..., para. 88 (c).

10/ See "Institutional arrangements to follow up the United Nations Conference on Environment and Development" (E/CN.17/1996/16).

11/ Report of the World Summit for Social Development ..., chap. I, resolution 1, annex II, para. 25.

12/ "Regional poverty situation: selected issues and policies: incidence, causes and correlates of poverty in Asia and the Pacific" (E/ESCAP/CPA(2)/1).

13/ United Nations publication, Sales No. S.95.II.G.17.

14/ See A/50/501.
