Examples of Related Work

Rural Non-Farm Economy

The Natural Resources Institute has undertaken work on the rural non-farm economy in India (Madhya Pradesh and Orissa), Uganda, Georgia and Romania. As part of a DFID and World Bank collaborative programme on rural development (RALF) it has worked with a range of stakeholders involved in policy-making processes and rural non-farm development programmes (especially government and donors) aimed at creating an environment that is conducive to diversification and enabling rural households to access non-farm employment, micro-enterprise and income opportunities (with uptake through national programmes, PRSPs, donor activities). Website: www.nri.org/info

Related publications


Indicators for Rural Development Strategy for Upper Egypt

Our research in Egypt focuses primarily on the interventions required for sustainable pro-poor growth and rural people’s participation in decision-making processes, and local level planning and resource allocation. The Rural Development Strategy will determine interventions that would support broad-based rural growth, thus improving the living standards of rural people and alleviate constraints or promote opportunities for local economic development in Egypt. NRI has worked closely with the World Bank and the Government of Egypt in the preparation of the new Rural Development Strategy, which complements the poverty reduction strategy of the Government of Egypt.

Innovative Financial Mechanisms for Improving the Livelihoods of Rural Afghans Currently Economically Dependent on Opium Poppy

This project is being led by NRI in cooperation with the Afghan-Khan Foundation in Afghanistan. The project is part of the DFID’s Research in Alternative Livelihoods Fund (RALEF), a component of its assistance programme to Afghanistan. The purpose of RALEF is to develop and promote alternative livelihood options for Afghan households dependent on poppy production and contribute to the overall goal of sustainable elimination of opium poppy production. The objective of this research project is to develop practical alternatives to the crop to help farmers diversify and develop financial mechanisms that enable rural Afghan dependent on opium poppy production and sharecropping to adopt alternative livelihood generating activities.

Addressing Poverty Through Local Economic and Territorial Development

Why is Local Economic and Territorial Development important?

Local economic development, rural enterprise development and rural territorial development approaches and initiatives are now programme features of the Natural Resources Institute. The concept of local economic development (LED) is based on promoting approaches that respond to local needs and conditions. The importance of local ownership of the development process is central to LED approaches, which views development within the context of governance and civil society at all levels. The LED approaches are also applicable spatially, whether in urban, peri-urban, rural or combined settings.

Further, rural territorial development, pioneered in Latin America and in southern Europe, stresses the importance of civil society participation in building productive and market-based opportunities for the poor across urban and rural space, according to the social, economic and geographic characteristics of specific areas and regions, and the particular opportunities that these present. Recent approaches to both LED and rural territorial development specifically promote cross-sectoral collaboration between adjacent local government authorities, and the building of new participatory forms for development planning and implementation.

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Publications


Links and Resources

DFID/REED/STAND: Joint Initiative: www.descriptorproject.org/index.php?option=com_content&view=article&id=37&Itemid=70
The Natural Resources Institute (NRI) is a key partner in a multi-donor initiative launched in 2002, aimed at addressing the challenges of poverty reduction in rural areas. At a conference hosted by GTZ in Berlin in 2002, the success factors highlighted by practitioners and policy makers, including those primarily working in the agriculture sector, were reviewed. Building on the lessons learned from this operational experience, the Natural Resources Institute is now working with partners in Bangladesh and South Africa to develop further the framework and explore its full potential as a tool for joint analysis, planning, evaluation and shared learning among key stakeholders (including government, donors, private sector, public sector and civil society) concerned with local economic development (LED) and wider rural development.

The REED approach was developed for use by policy makers, national and local governments, development agencies, field-level practitioners, the private sector and NGO participants, including also those primarily dealing with agriculture-related activities. LED, rural poverty reduction and private sector development. It is further expected that the use of the framework for LED will increase the efficiency and transparency of rural economic development interventions and policies which undertake pro-poor rural and enterprise development interventions and policies is also emphasized. The REED framework can be applied at different levels, i.e., local, national and regional, because it is area-based. The framework includes some explicit hypotheses about how successful interventions foster economic development, these are:

- Shaping favourable conditions for rural entrepreneurs to increase their incomes and improve their livelihoods will help reduce poverty levels.
- Developing and supporting supportive infrastructure and services will allow the private sector and rural communities access to inputs and markets for their output, whilst reducing transaction costs related to production and distribution.
- Creating adaptive management capacity and entrepreneurial competence among rural firms will enable pro-poor economic development as firms are better placed to respond to and utilize the opportunities and challenges of the wider market.
- Improving the different types of existing and potential horizontal and vertical links between stakeholders as useful building blocks for a range of institutional and operational options for rural enterprises.
- Developing instruments to access opportunities in regional and global market places for the benefit of rural enterprises will reduce poverty and enhance exchange growth.

Such economic development and enterprise promotion strategies can be linked to the poverty reduction efforts of the international donor community and national governments. REED has a broad scope and focus, and it is intended to guide and evaluate the ‘pro-poor’ rural development interventions that are components of national processes. NRI’s work will help to develop the conceptual framework, and in piloting the approach will provide lesson learning and implementation experiences to the benefit our partner countries specifically, but also more widely to developing country governments, donors, NGOs and other stakeholders.

Figure 1 The REED Framework

<table>
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<th>Building blocks for a range of institutional and operational options for rural enterprises</th>
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The work examines how sectoral policies for land access and agrarian development can be integrated into a dynamic and holistic approach to sustainable development with a territorial focus. It is undertaking comparative and analytical policy studies, drawing on existing work and data, and supporting partnering, empirical case studies undertaken by local partners, in two districts in South Africa and three in north-eastern Brazil. The research focuses on land access and agrarian development, and poverty and livelihood impacts in the context of wider development policy and planning. The project will assess the implications for public policy in local and national government and for donors in both South Africa and Brazil, identifying and disseminating the policy and practical lessons for the countries concerned, and the wider southern African and Latin American regions, and considering the global relevance.

Based on our review of approaches from literature and practical experience, key features of Rural Territorial Development include:

- Fostering a direct linkage between the productive, institutional transformation of poor areas and regions, and new institutional frameworks which permit more decentralized, participatory planning, and better co-ordination.
- Extending social capital and market networks by developing strong government, civil society and private sector collaboration, and partnerships across and between rural territories.
- Emphasis on building social capital and bottom-up participation, in shaping public policies which is genuinely responsive to the specific needs and opportunities of different areas.
- Livelihoods approach, addressing the complex nature of livelihoods and their interactions with markets, policies and institutions and offers practical opportunities to operationalize the sustainable development of livelihoods (at meso scale) through institutional innovation and networking.
- Opportunities for mobilizing practical responses to globalization in analysing the impacts that globalization has on rural areas. The opportunities offered can be developed according to the region and comparative advantage. In particular, territorial approaches offer a way forward for poorer, more isolated areas by focusing efforts on stakeholder collaboration to develop their resource potential and market linkages, and to also help lower cycles of isolation, poverty and outward migration.