Priority policy research issue for the third PAGE II (2019) call for proposals

**Productive employment in rural farm and non-farm sectors**

With poverty often concentrated in rural areas and vast numbers of Africa’s rural poor depending on agricultural employment, increasing productive employment in rural farm and non-farm sectors is essential for reducing poverty\(^1\). This issue is particularly critical for women as they are employed prevalently in the rainfed and subsistence agricultural sector. PEP research in **Kenya** and **Niger** concurs, finding that up to 95\% of multidimensionally poor women live in rural areas. Increasing productive employment opportunities for women would help promote their empowerment in rural areas and economic development, in general. Research supported under the PAGE-II (and PAGE-I) programs has investigated the impacts of a variety of interventions on rural employment and female empowerment. The findings identify important considerations for policy decisions aiming to address these issues:

1. **Programs and policies targeting rural women**

Programs and policies targeting rural women in **Burkina Faso** and **Ghana** have been successful in improving both women’s economic empowerment and wider economic outcomes. In **Burkina Faso**, policy simulations suggest that subsidy policies for women’s agricultural capital, fertilizer, and equipment, as well as policies to increase their access to land, would increase agricultural productivity, food security, economic growth and household income while reducing unemployment (particularly for women). Meanwhile, efforts to develop the female-intensive cassava sector in **Ghana** have empowered women in household decision-making and increased their access to productive resources and the market. In **Togo**, factors such as access to land and labour productivity, age, use of fertilizer and mobile phones, childcare and domestic work were identified as contributing most to the female farm income gap. An innovative government intervention aiming to reduce gender inequality and improve agricultural productivity and food security in **Benin** is currently being analysed by PEP researchers. Beneficiaries are followed by an agricultural advisor and receive a full package of support adapted to their needs. Further research is needed to assess gender differences in the participation in and impacts of actual programs and policies targeting rural women.

**SOME EXAMPLES OF POLICY RESEARCH ISSUES:**

- **What are the impacts of government programs targeting rural women?** Which outcomes are influenced? Which specific aspects of these programs cause positive impacts? Do these impacts differ from those of similar programs targeted towards the rural population in general?
- **Can legal reforms that improve women’s access to productive rural resources** (such as land policies) empower women and reduce the female farm income gap

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• How can **public support for child care and elderly care services** increase productive rural employment for women? How do rural employment programs interact with child care or other female empowerment programs?

• **Challenging norms:** **Policy interventions that can better address systemic discrimination faced by smallholder female farmers** (in terms of access to land, inputs, credit, training, improved farming technologies, and cultural and social norms), to improve their productivity and lessen the female farm income gap.

• Are rural employment programs properly **targeted**? Which targeting mechanisms minimize errors of inclusion and exclusion? How can we value this impact in cost-benefit terms?

2. **Public investments**

Public investments in the water sector, telecommunications infrastructure, and farm inputs are found to boost agricultural productivity in **Niger**, **Togo**, and **Ghana**. In **Togo**, public investments in health, education and telecommunication infrastructure, as well as input investments made by farmers themselves, improved agricultural productivity and reduced poverty. Meanwhile, irrigation programs in **Niger** were found to be important for improving the country’s food security. Further, gender-sensitive, research is now needed to expand the evidence base and more concretely guide **rural employment-linked public investments**.

**SOME EXAMPLES OF POLICY RESEARCH ISSUES** (for each issue, explore gender differences):

• What are the effects (and underlying channels) of **public investments** on rural employment, productivity and income? Is there a specific range of pro-women pro-poor public investments?

• The impact of public investment on basic **time-saving infrastructure** (e.g. piped water, energy, transport, electricity, mobile phones).

• Impact of **irrigation development** on agricultural development and food security.

• **Information and communication technology (ICT)** products are revolutionizing rural markets by improving market access and market information for rural families, particularly females. How can returns to public investments in infrastructure be improved through these ICT enabled products?

• How do public investments in **R&D and innovation** affect rural employment?

• Which rural public investments are more likely to address **constraints faced by female participation in rural farm and non-farm sectors**? What complementarities are needed in rural public investments (e.g. water, education, access to information) to encourage female labour force participation in farm/non-farm sectors?

• How do **social institutions** influence the impact of rural public investments in encouraging productive employment in rural farm and non-farm sectors?
3. Off-farm employment

A number of countries are promoting off-farm employment as a means for smallholder farmers to diversify their incomes and invest more in agricultural production. Findings from Ghana indicate that off-farm engagement significantly increases the quantities of farm crops sold. However, in Tanzania and Uganda, off-farm employment is found to decrease agricultural production as members of farming households have less time for agriculture and the off-farm revenues are not invested in the farm. Further, gender-sensitive, research is needed to examine the compatibility between specific off-farm employment interventions and farm production.

SOME EXAMPLES OF POLICY RESEARCH ISSUES (for each issue, explore gender differences):

- What policies minimize the trade-off and enhance the synergy between off-farm employment and agricultural production?
- What is the role of agricultural technology improvement and adoption? What role can women play in this?
- Agro-processing versus other sectors: Do policies fostering labour-intensive agricultural processing and commercialization offset the adverse effects on agricultural productivity? How can improving gender differentials here improve agricultural productivity?
- Micro and small scale versus large-scale.
- To what extent do climate change and related environmental policies affect the decision of smallholder farmers to engage in off-farm activities?
- Are earnings generated from off-farm employment policies used to finance productivity-enhancing investments in farming (vs consumption)?