



VIII OECD Rural Development Policy Conference



Modernising Rural I: Strengthening Rural Markets

Perspectives from Developing Countries

Armin Klöckner

GIZ, Division Rural Development and Agriculture



Major issues in developing countries

- Rural areas are remote areas.
- Rural areas are sparsely populated.
- Rural infrastructure is lacking or poorly developed.
- Human capacities and institutional capacities are limited.
- Population often heavily depend on agriculture.
- Services are poorly developed.





Chances and potentials for rural development (I)

- Rural areas need to be rediscovered as a category for development and an important subject of policy.
- Rural areas are usually linked to poverty and hunger; instead the focus needs to shift to their potentials for development.
- Availability of natural resources.
- Rural areas are rich in biodiversity.
- Ecosystem services offer new opportunities.





Chances and potentials for rural development (II)



- Rural - urban and rural - rural linkages offer new development avenues.
- Decentralisation policies allow for rural territorial development.
- The role of private sector actors is growing.
- The number and diversity of civil society organisations is increasing.



Experiences (I)

- Understanding the whole value chain allows for targeted assistance in strengthening rural markets.
- Inclusive business models are necessary to integrate smallholders in value chains.
- The use of new technologies, such as ICT, mobile phones improve market integration and transparency.
- Services do not necessarily have to be provided by the public side.



Experiences (II)

- New partnerships involving the private sector, civil society organisations and the public sector can trigger development.
- Public-private dialogues have the potential to improve the business enabling environment.
- Participation of all stakeholders must be possible.
- Government has to provide certain framework conditions (e.g. legal and fiscal conditions, security).





Experiences (III)

- Communication and coordination on all government and administrative levels as well as horizontally are essential.
- Institutions matter.
- Place based approaches allow for locally adapted and locally accepted solutions.





Thank you for your attention!

