Fighting hunger and poverty in Brazil – the role of agriculture

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Introduction

• Inflation control;
• Reduction of government intervention and elimination of subsidies and price controls;
• Strong incentive to agricultural research;
• *Fome Zero* (Zero Hunger) strategy, designed to ensure the right to adequate food by promoting food and nutrition security and eradicating extreme poverty;
• Overall result of the social and macroeconomic policies has been a steady reduction in hunger and poverty;
• Brazil has been rapidly advancing towards fulfillment of the Millenium Development Goals.
Eradicating Extreme Poverty and Hunger

Gini Coefficient
Brazil*, 1990/2008

Percentage of people living on less than $1.25 (PPP) a day
Brazil, 1990/2008

* Excluding the rural population of the states of RO, AC, AM, RR, PA and AP.
Sources: Income: IBGE, National Household Sample Survey (PNAD).
Average annual inflation in Brazil and the US: International Monetary Fund, World Economic Outlook, 2009.
Decline in Child and Maternal Mortality

- Improvements in income distribution, poverty reduction, and schooling of mothers;
- Changes in fertility patterns, with a significant reduction in the average number of children per woman;
- Health policies implemented by the Unified Health System –SUS, with emphasis on the health of women and children.
Grouping agricultural producers, according to the estimated gross value of production
(Alves and Rocha, 2010, based on 2006 IBGE Census)

• 424 thousand properties (8.2%) generated 84.9% of the total value;
  – Access to private extension services and updated technologies
• 976 thousand properties (8.9%) generated 11.1% of the total value;
  – Benefit from public extension services, organization and value aggregation.
• 3.7 million rural properties (72.9 %) generated 4.0% of the total value;
  – Need special actions and programs.
Brazilian Agriculture – Grains (1991-2010*)

Entrepeneurship, land, policies, tropical tecnology

Production Growth:
145% = 4.8% / year

Harvested Area Growth:
27% = 1.3% / year

Source: CONAB.

*Estimate: October/ 2009

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*Estimate: October/ 2009
Source: ABIEC, ABEF, UBA and ABIPECS
“There is no distributive policies more effective than those that reduce food price”
Mendonça de Barros et al, 2008

Martha Jr., data from Dieese (2010)
National Program for Strengthening Family Agriculture (PRONAF)

- Finances individual or collective projects that generate income for family farmers and farmers settled under the land reform program;
- Defrayal costs and investments, provides technical assistance;
- Finances production, storage and transportation of vegetable and animal food products and niche products.

1 the 2009-10 harvest, the amounts correspond to funds made available to the program.
Citizenship Territories Program (PTC)

- Addresses poverty in rural areas through a sustainable territorial development strategy;
- Envolviment of Ministries (22), States, Municipalities and local organizations;
- Support to productive activities, civil rights and infrastructure;
- Production financing and insurance (PRONAF); technical assistance and rural extension; stimulation of cooperatives and economic development; marketing support; planning and productive organization (local products, biodiesel); management and environmental education;
- 180 actions and R$ 23.5 billion in 2009;
Family Agriculture Food Procurement Program (PAA)

• Launched in 2003, under “Zero Hunger Program”
• Promotes the direct purchase of food produced by small farmers;
• Food supply to a chain of social assistance institutions: public popular restaurants, community kitchens and food banks;
• Since 2009, approximately 30% of the transfers covered meals served in public schools; over
• US$ 1.4 billion were spent and about 2 million tons of food was acquired by the Government.

![PAA - Financial Execution Evolution]

Source: MDS, I
School Meal Program (PNAE)

- Supply of meals throughout the school year.
- Contribute to students’ growth, development and performance;
- Complemented by financial transfers directly to States and Municipalities, based on the number of students identified by the school census;
- Inspected by society through the School Meal Councils and federal control agencies.
Bolsa Família Program – PBF

• Cash transfer to families living in poverty (monthly per capita income of R$ 70 - R$ 140) and in extreme poverty (monthly per capita income of up to R$ 70).

• Part of the Zero Hunger strategy.

• From 2004 to 2009, the Program doubled the number of families covered by it, from 6.6 million to 12.4 million families;

• December 2009: 49 million people covered.
Conclusions

• Policies and incentives to support all types of producers, from small farmers to large-scale agriculture;

• Agricultural productivity responded for 65% of the total agricultural growth in the period 1970 to 2006 and its role has been crucial to guarantee low levels of food prices;

• Total financial support for agriculture jumped from US$ 14.8 billion in 2002 to US$ 69.6 billion in 2010;

• Governmental programs and actions involve ample partnership among ministries and organizations and are designed to promote social and economic inclusion of the small farmers, settlers of land reform, indians, “quilombolas”, etc;

• Brazil is establishing a new model of hunger and poverty combat in rural and urban areas, leveraging agriculture to conquer nutrition and health for its citizens.
THANK YOU

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