



## Social Protection in rural areas: FAO's approach

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Food and Agriculture Organization  
of the United Nations

# Overview

- FAO and social protection: Rationale
- Social protection in rural areas: current context and challenges to meet SDG1 and SDG2
- Key challenges and opportunities

# Why social protection in rural areas?

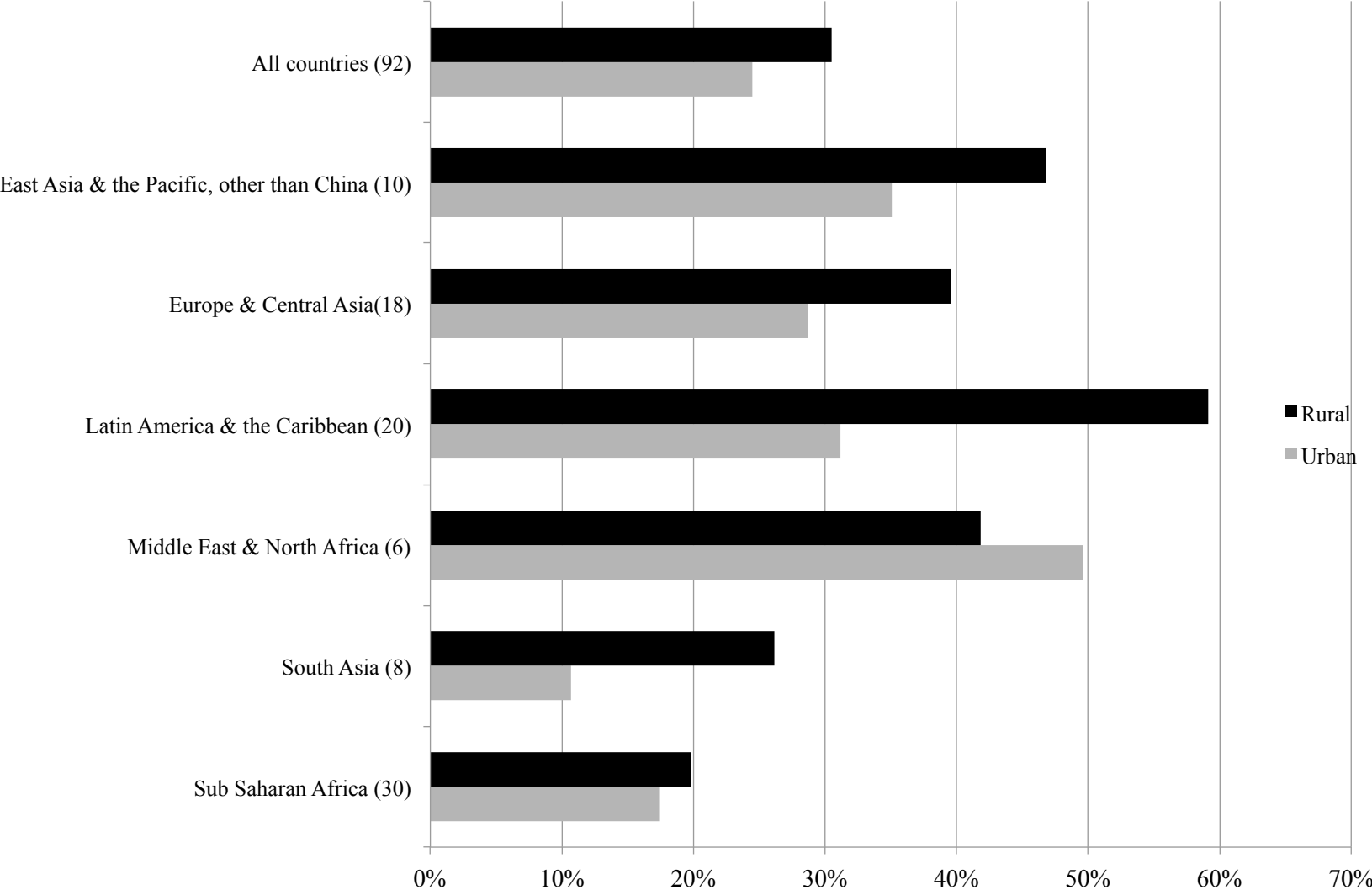
- Central role of agriculture in terms of poverty reduction—thriving agricultural sector requires innovative technological practices, vibrant markets and investment
  - BUT, assuring inclusive production requires enhancing access of family farmers, and particularly the extreme poor and most vulnerable
- Most of the extreme poor and hungry live in rural areas, and depend, at least in part on agriculture for their livelihoods
  - Most of the extreme poor live in environmentally vulnerable and fragile countries
  - Global increase in the number of hungry due in large part to conflict and climate-related emergencies
- Social protection is the best way to provide immediate assistance to over 767 million living in extreme poverty and 815 million living with hunger
- Access to social protection has implications for (i) managing risk and (ii) economic inclusion:  
**Core component of inclusive rural transformation**

# Social protection in rural areas

- Social protection as a key component for poverty reduction across regions
- Important progress in terms of SDG 1.3 – expansion of coverage (particularly around social assistance)
- Challenges remain:
  - Coverage and adequacy
  - Sustaining gains and maximizing impact
  - Resilience: climate related risks and conflict
  - Demographic challenges in rural areas: older persons and youth

# Access to social assistance\*: Rural areas >urban

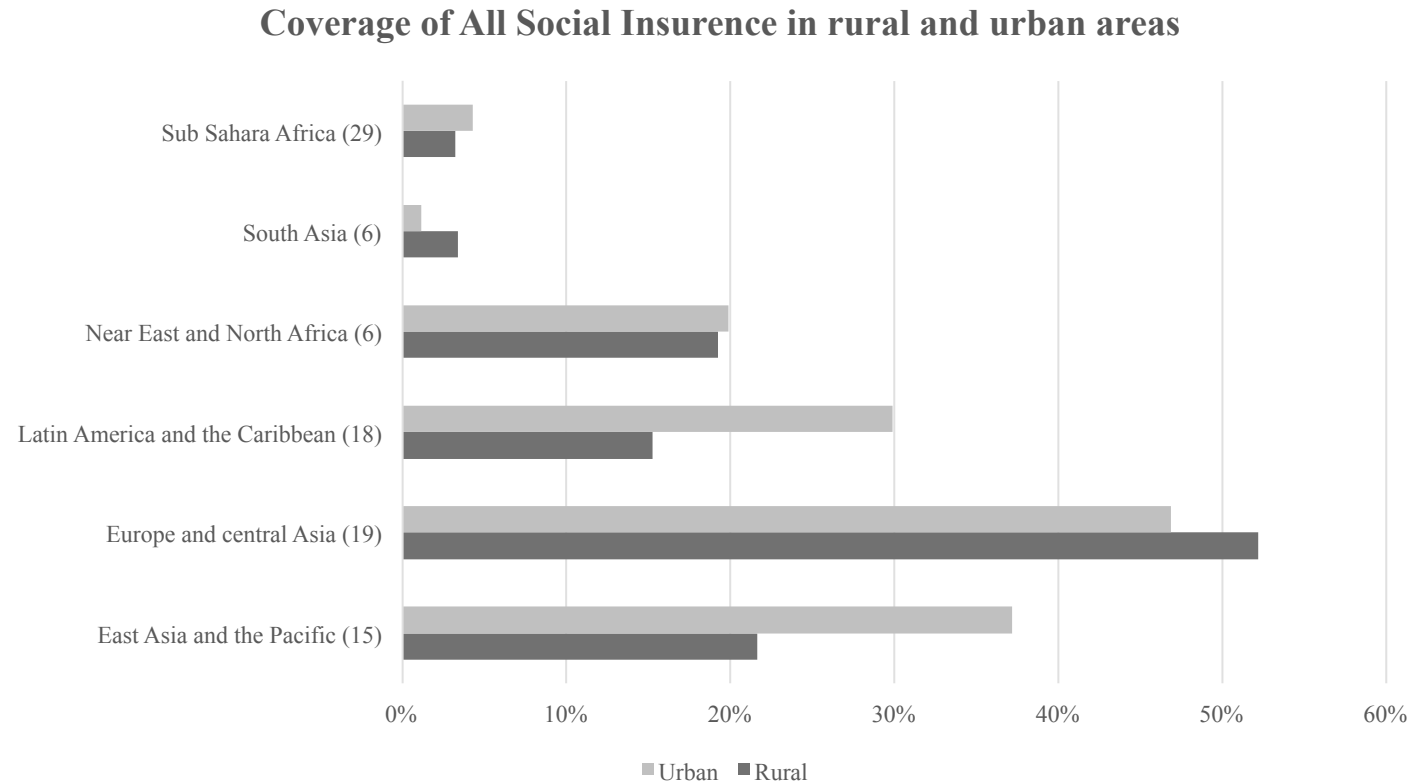
Share of rural and urban population covered by social assistance, by region



Notes: Number of countries in parentheses.  
Source: SOFA 2015/ Authors' calculations using World Bank (2015d).

# Access to social insurance\*: rural areas lagging behind

Share of rural and urban population covered by social insurance, by region



Source: ASPIRE dataset April 2018

The number of countries included is 92. The group of schemes included in the SI definitions are Old Age Contributory Pensions-Old age, Survivors and Disability- and Other Social Insurance- Occupational injury benefits, Paid sick leave, Health Insurance, Maternity and Other social insurance.

# Important challenges remain: effective coverage

Only **45** per cent of the global population is effectively covered by at least one social benefit, while the remaining 55 per cent— **4 billion people** — are left unprotected. (ILO 2018)

- Policy concerns and misperceptions around social assistance remain: even in regions where programs are institutionalized (eg: LAC)
- Fiscal space and political prioritization

## Adequacy and effective reach

- Limited access to social security benefits to those in rural areas given specificity of the agriculture sector: Missing middle; agriculture sub-sectors (FAO Review)
- Accessibility of services (eg: health) in rural setting
- Lack of trust in social security systems or perception that benefits are not relevant (ie: no benefits regarding crop loss or disaster impact)
- Structure of social security systems may not be compatible with the instability (or seasonality) of agricultural employment (ie: timeframe to receive benefits)

# Important challenges remain: Youth and Elderly

**Youth:** Very few programs that are specifically targeted to youth( with the exception of some contributory programmes)

- SSA: What happens to children (18+) that graduate from social assistance programmes? Links to job intermediation, skill training and specific support?
- Some emerging programs looking at linkages with health and education; much limited focus around economic inclusion

**Elderly:** Policy concerns/perceptions persist: Pensions do not reach poorest in rural areas; too many barriers to access

- Health coverage: in rural areas where 56 per cent of the population lack health coverage as compared to 22 per cent in urban areas.
- Limited access to social pensions limit opportunities for younger generations to work on agriculture-access to land



# Important challenges remain: Resilience

## Conflict, displacement and climate-related risks

- Regular access to predictable transfers, contribute to enhancing capacity to respond, adapt withstand risks – how to enhance resilience?
- Some SP programmes have been used to channel humanitarian aid (Ethiopiaa, Hunger Safety Nets, Peru Juntos, among others)
  - Continues to be larger a post-crisis response. Limited links with early warning and early action
  - Social protection not effectively integrated into climate adaption or mitigation strategies (some exception: PROEZA, GCF Paraguay; Hunger Safety Net, Kenya)
- Displaced populations- limited access to social protection benefits (especially to enhance livelihood opportunities; particularly relevant in protracted crises)

# Important challenges remain: Sustaining impacts

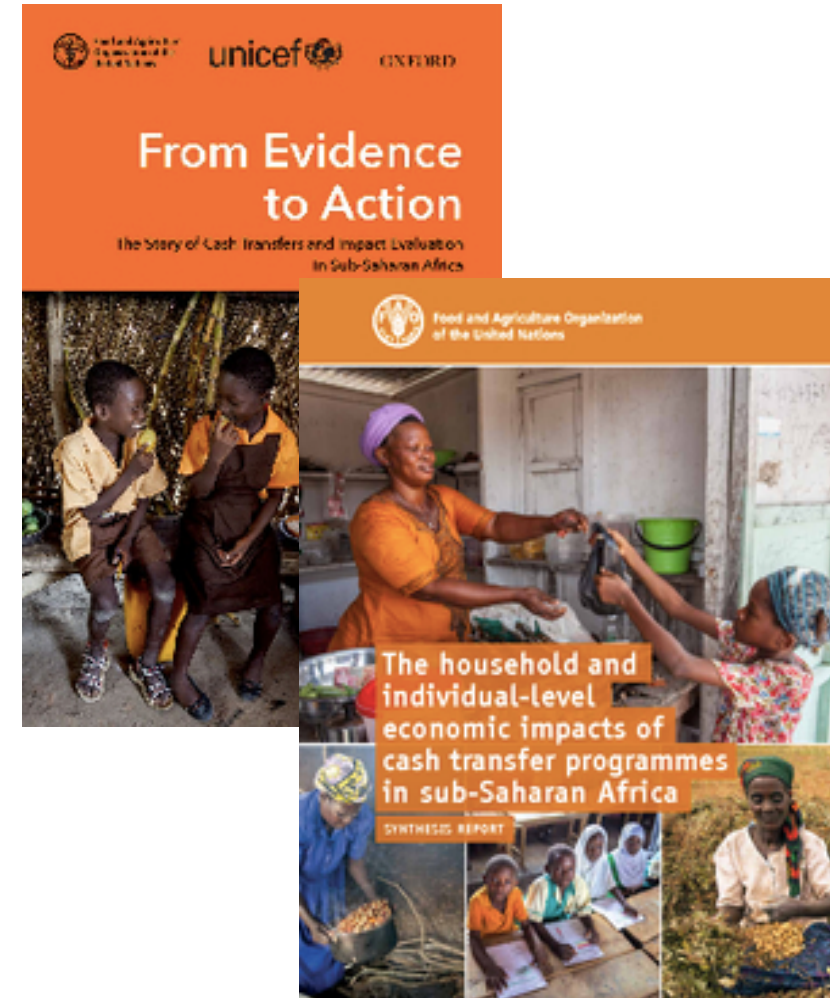
Evidence is clear in terms of the role of social assistance (eg: cash) in generating productive and economic impacts- households

## Impact on:

- Enhance crop production (sales; more nutritious and higher value)
- Access to more and better food
- Use of inputs; increased investment in assets; ownership of livestock
- Increase of off-farm work;
- Risk management; engagement in informal reciprocal networks

## Challenges

- How to maintain these impacts over time?
- How to move from food security to enhanced nutrition?
- How to move from small scale production (for consumption) to market access and sustainable livelihoods?
- How to move from minimizing negative coping strategies to long-term resilient livelihoods?



# FAO's contribution to address some of these challenges



## Expansion of coverage and access

- Economic case for scale-up of social protection programmes
- Understanding and raising the visibility of the barriers to access social protection (assistance and insurance) to those living in the rural areas
- Developing costed packages based on capacity to contribute (differentiated packages based on livelihoods, income and availability)
- Learning from experience and lessons learned from community-based organizations; cooperatives and other

# FAO's contribution to address some of these challenges



## Sustaining the FSN and economic impacts

- Promoting policy coherence between social protection, agriculture, FSN policies
- Linking farmer's registries with social registries- livelihood dimensions
- Facilitating the access of participants of SP programmes to agriculture support programmes (access to inputs, training, extension services and other)- pro-poor agriculture investments
- Identifying (differentiated) barriers and pathways towards poverty reduction: agriculture, diversification, non-agriculture
- Defining the best “plus”/complementary packages to enhance existing productive impacts- cash +
  - Territorial approach
  - Inclusive value chains
  - Identifying broad range of economic opportunities (farm and off farm; innovative areas in the context of urbanization and new markets)
- Strong analytical investment to show (economic, cost/benefit and impact) value added of coherence and articulation- for social and agriculture sectors

# FAO's contribution to address some of these challenges



## Climate related risks, conflict and forced displacement

- Support the development of risk-informed and shock responsive social protection programmes
  - Promoting and facilitating the integration of SP into DRR/DRM policies
  - Cash plus (specific to fragile or post conflict settings- from rehabilitation to re-building livelihoods)
  - Promoting the use of forecast and FSN situation analysis (Early Warning systems, IPC) to inform early **actions**, including through social protection programmes
  - Analyzing the cost savings of early actions vs. response
  - Support the livelihoods of host communities, as well as refugees (particularly in protracted contexts)



Many thanks

<http://www.fao.org/social-protection/en/>



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