



4.18 Promoting Social Protection in Coherence with Agri-Food Systems Related Sectors

1. What, in brief, is the solution?

The solution promotes the expansion of social protection, in coherence with agri-food systems related sectors in order to boosting economic growth; enhancing the productivity of families and supporting them to diversify their source of income; achieving food security and nutrition, and building the resilience of poor rural families. It also focuses on accelerating the progressive realization of nationally defined social protection floors that guarantee at least essential health care and basic income security to all, including the poor, food-insecure, and workers in the informal economy.

2. What was/were the source(s) from which this solution emerged?

Social protection has been recognized as a critical strategy for poverty reduction and inclusive growth. Evidence coming from country-level impact evaluations shows that social protection, when associated to agricultural sectors, can generate a broad range of impacts: boosting economic growth; enhancing the productivity of families and supporting them to diversify their source of income; achieving food security and nutrition, improving natural resource management, and reducing child labour and building resilience. The CFS-HLPE Report on Social Protection for Food Security (2012) was a seminal contribution in making this link and informed the CFS Policy Recommendation on Social Protection for Food Security.

Social protection is also a fundamental human right. The right to social security is enshrined in several human rights instruments, including the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, other international and regional human rights treaties, as well as international social security standards, such as the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), and the Social Protection Floors Recommendation, 2012 (No. 202). Evidence suggests that social protection can help realize other economic, social and cultural rights, including the right to adequate food, clothing and housing and the rights to education and health, all of which are essential to the realization of human dignity (Sepúlveda and Nyst 2012; Morlchetti 2016). Moreover, beyond its explicit inclusion in the goal of ending poverty in all its forms under Sustainable Development Goal (SDG) target 1.3, the role of social protection is also recognized in the realization of other SDGs, in particular ending hunger (target 2.1), achieving universal health coverage (target 3.8), achieving gender equality (target 5.4), promoting decent work and economic growth (target 8.5), reducing inequalities (target 10.4) and promoting peace, justice and strong institutions (target 16.6).

3. What problem is it trying to address within food systems?

Currently about half of the world's population – and more than three quarters of the world's poor population – live in rural areas. Inequalities between urban and rural areas remain significant. The share of rural inhabitants in developing countries who live in extreme poverty (defined as living on less than \$1.9 per day) is almost three times higher than in urban areas. While the share of agriculture in most national economies is not predominant, it still represents an important source of livelihoods for one third of the world's population and about three quarters of the rural population living in extreme poverty, making it a critical sector for poverty reduction. However, agriculture is also associated with high levels of labour market informality and higher exposure to risks of all nature. Rural populations face higher risks of poverty, including working poverty, malnutrition and hunger, poor health, work-related injuries, natural disasters and climate change, and social risks such as child labour and social marginalization, among others. With low and irregular incomes and a lack of social support, many rural inhabitants are spurred to



continue working when sick, often in unsafe conditions, thus exposing themselves and their families to additional risks. Further, when experiencing income losses, they may resort to harmful coping strategies, such as the distress sale of assets, taking on predatory loans or engaging in child labour.

As agri-food systems become more concentrated and globalized, there is a risk that challenges such as ensuring access to safe, nutritious and healthy diets, preserving the environment or including the large numbers of extreme poor people who live in rural areas in the process of rural transformation will be exacerbated. Indeed, vulnerable and poor segments of society continue to face enormous barriers to participate in value-chains and become increasingly dependent on dominant actors. This is especially true for poor women and youth, indigenous peoples, smallholder farmers, small scale fishers and herders, including pastoralists. As the modernization of agriculture remains dominated by large producers, poor and vulnerable rural populations are left with little choice but to migrate to urban and peri-urban areas to seek alternative sources of income, accelerating the dependence on remittances in the areas of origin and opening the doors for the ageing and feminization of agriculture, and the use of child labour. Moreover, the current pattern of existing agri-food systems, combined with the higher frequency of natural disasters due to climate change, is not contributing to transform rural areas in an inclusive manner. Against this backdrop, the COVID-19 pandemic has laid bare the fragility of the existing agri-food systems and the need to build back better by, for instance, promoting shorter food supply chains for more inclusiveness and sustainability, when feasible, in certain territories.

Approximately 55 percent of the world's population – as many as four billion people – are not covered by social insurance or social assistance at all, and many more are covered only partially. The large majority of those currently excluded are workers in the informal economy, many of whom workers in agriculture, as well as rural populations. The lack of social protection constitutes a significant challenge for food systems by perpetuating hunger and malnutrition and exposing enterprises and workers in the agri-food sectors to unnecessary risks.

4. Why is addressing that problem important for achieving the goal of your working group?

The expansion of social protection systems is one of the targets to end poverty under the 2030 Agenda. Countries have committed to implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable. However, more than 70 percent of the global population today is still not covered by social protection and the majority of these people live in rural settings.

There is a strong need to expand social protection to effectively reach men and women involved in the overall food systems in coherence with agriculture, fisheries, livestock, pastoralism and forestry for improving food security, nutrition, natural resource management, economic inclusion and resilience. As strengthening social protection comes also with the need to empower communities, organizations of producers and cooperatives, it is also a way to reinforce collective actions and the social contract between the governments and their citizens.

The establishment of nationally defined social protection floors as a basic set of essential social guarantees, in cash and in kind, is key to promoting at least basic income security and access to health care, and in facilitating the enjoyment of a number of important economic and social rights by all, including the most marginalized groups. This includes guaranteeing access to social protection of those engaged in the agri-food sector, both in waged and self-employment, and the rural economy at large, the establishment of “one-stop shops” to facilitate access to social security benefits and services, such as health and education, in rural areas, as well as mobile offices and digital services to facilitate access especially in remote rural areas. Social protection mechanisms can be also extended through partnerships with cooperatives and through contract farming (or out-grower schemes).



5. How can this solution address that problem (theory of change)?

Social protection comprises a set of policies and programmes that addresses economic, environmental and social vulnerabilities to food insecurity and poverty by protecting and promoting livelihoods. It can play a protective role in providing means (cash or in kind) to access food and mitigate the impact of shocks. It can have a preventive function in averting deeper deprivation by strengthening resilience against shocks [and stresses] and preventing loss of incomes and assets. It can support the accumulation of resources to sustain livelihoods (e.g. through asset transfers and public works). Social protection can also play a promotive function by directly supporting investments in human resources (nutrition, health, education and skills development) and by reducing liquidity constraints and income insecurity to induce investments in farm and non-farm activities. It can also have a transformative function in the lives of the poor through reorienting their focus beyond day-to-day survival towards investments for future, by shifting power relations within households (as social protection can empower women) and by strengthening the capabilities and capacities of those living in poverty to empower themselves. Beyond its role to improve food security and nutrition, social protection plays a key role in promoting economic inclusion and improving natural resource management. It also helps in improving access to agricultural insurance and reducing child labour. Social protection is an essential element of the food systems transformation by providing dignity and freedom to vulnerable populations.

6. Why does this solution align to the definition and criteria for a ‘game changing solution’ developed by the Summit?

1. Impact potential at scale (including return on investment)

As mentioned earlier, evidence shows that social protection has a strong return on investments and is an important pillar for promoting the economic inclusion of rural populations involved in food systems. It is also an important pillar for supporting the transition to sustainable agricultural practices. It improves also the access to basic services, such as education, in order to break the intergenerational circle of poverty.

2. Actionability (taking into account politics, capacity, costs)

Social protection is a right and a major part of the countries in the world committed to expand social protection to all (recommendation 202 related to the social protection floors of ILO). Different funding mechanisms exist and have been identified to scale up the coverage of social protection in different countries. Government capacities have also been reinforced over the years, especially recently in response to the COVID19 pandemic. However, reforms needs to be undertaken at Government level to continue reinforcing the systems and improve the participation of workers and employers involved in the food systems.

3. Sustainability (i.e., the ability to keep delivering to 2030 and beyond)

The sustainability of the systems depend largely on the capacities of the Government (human and financial capacities as others). The financing of social protection floors usually relies on a combination of sources, including in particular the extension of contributory schemes to persons with contributory capacity and adapting them as necessary to the situation and needs of rural populations, and complementing them with non-contributory schemes to guarantee a nationally-defined social protection floor. Policy and financing options should be discussed in an inclusive national dialogue, guided by considerations of financial, fiscal and economic sustainability and solidarity at both national and international levels. Many countries over the world show that a universal coverage of social protection can be scaled up, sustainable and actionable. Coherence with agriculture, fisheries, livestock and forestry is necessary and should be promoted to facilitate the transformation of the food systems.



7. Existing evidence supporting the argument that this solution will work, or at least achieve the initial outcomes?

Extending social protection to all, including smallholders and micro-enterprises in food systems, as well as waged agricultural workers, many of whom are otherwise often excluded, is essential, as those face high levels of working poverty, vulnerability, malnutrition and poor health and suffer from a lack of labour, and are largely affected by climate related shocks and conflicts. Working conditions are also more difficult in agricultural sectors. Evidence shows that extending social protection:

- Contribute to the promotion of non-discrimination, gender equality and can help address the specific protection needs of disadvantaged groups, for example landless people, casual labourers, migrants, older persons, women, people living with HIV and AIDS, persons with disabilities, members of certain ethnic or religious groups;
- Reduce the vulnerability of rural producers and workers. Social insurance, social assistance and other measures in line with the ILO's Social Protection Floors Recommendation, 2012 (No. 202), which include, among others cash transfers and social health protection that can, together with weather index insurance can improve the productivity of agri-food enterprises, especially when there are temporary drops in their economic activity. They can play a major role in sheltering rural communities from crop failures, injecting finance into cash-starved rural areas and stimulate the creation of infrastructure.

Social protection floors are an essential component of integrated policies to facilitate climate change adaptation and mitigation (protect people and protect the planet).

Besides alleviating economic constraints, evidence of the ability of social protection to foster psychological well-being, thus increasing economic agency and resilience, is extensive. Several cash transfer programs showed positive impacts

on subjective well-being, future perception of quality of life, and improvement in hope and aspirations. This resulted in more proactive behaviour and in an increased propensity to invest in productive assets and in human capital.

Banerjee et al. (2011) studied the impact of an asset transfer worth \$100 to ultra-poor in an impoverished region north of Kolkata, with the results substantially exceeding researchers' expectations in terms of emotional wellbeing and economic behaviour. Handa et al. (2020) analysed data from Zambia CGP and found strong positive impacts on beneficiaries' perceived quality of life, happiness, and expectations for the future. Haushofer and Shapiro (2013) studied the response of poor rural households in Kenya to cash transfers, with beneficiaries showing large increases in psychological well-being and a reduction in stress level.

Social protection interventions, including unconditional and conditional cash transfers and cash-for-work programs, may reduce farmers' liquidity constraints, encouraging greater risk-taking and spending on inputs. Transfers can also facilitate small-scale savings or investment by serving as collateral and so enabling access to credit and agricultural insurance. Lack of insurance and exposure to shocks can drive farmers below a critical asset threshold from which recovery is not possible. In anticipation of such outcomes, poor and vulnerable households may opt for less risky technologies and portfolios. Yet these often generate lower returns, on average, trapping farmers in persistent poverty. In this context, social protection instruments, such as cash transfers, can affect the risk attitudes of farm household members by altering household wealth.

Social protection instruments (cash transfers, public works, school feeding) can have a positive effect on food and nutrition security, which may in turn enhance labour productivity. In the short term, people have



greater access to sufficient, safe, and nutritious food to meet dietary needs, which improves health. Nutrition is improved, especially in utero and in other sensitive periods such as early childhood and adolescence, leading to greater cognitive development and ability and thus to greater labour productivity.

Specific evidence in fisheries:

There is a growing body of evidence to support the concept of coherence between fisheries policies and social protection interventions. Coherence between fisheries policies and social protection can support in:

- Improving fisheries-dependent communities management of natural resources: Social protection interventions, such as predictable cash transfers or social insurance can alleviate liquidity constraints faced by poor fisheries-dependent communities, thereby enabling them to invest in fishing technologies and recover from the lost income from bycatch. Social protection interventions, such as cash transfers, public work schemes, Payment for Ecosystem Services (PES), social security mechanisms can attenuate the hardships that fisheries-dependent communities face in complying with these restrictive fisheries policies as well as work in conserving marine biodiversity. In India, within the framework of the FAO Fisheries Management for Sustainable Livelihoods (FIMSUL) project, the Ministry of Fisheries provides welfare support to fisheries management services (FAO, 2017a). In South Africa, coastal communities have benefited extensively from the Expanded Public Works Programme that has put in place short term employment and skills training and provided cash transfers in exchange for employment in clearing alien vegetation, dune rehabilitation and prevention of coastal erosion, fighting fires and cleaning up the coast (FAO, 2017a). Cash transfers are provided in Nicaragua during the closed season for lobster, while short-term subsidies are available in Colombia because of the decrease in territorial sea. Social insurance schemes can have a role to play in mitigating the potential negative socio-economic impacts on natural resources. For example, the National Fishers' Assistance Programme in Paraguay subsidizes fishers who are unable to work during the closed season in the form of a non-contributory transfer (FAO, online). Likewise, in Brazil, the unemployment insurance for small-scale fishers (Seguro Desemprego do Pescador Artesanal) provides a temporary stipend during the closed season for those fishers who are registered to the General Fishing Registry as compensation for the loss occurred, fulfilling the dual purpose of contributing to the income stability of fishers and providing incentives for the conservation of the ecosystem (INSS, online). Fisheries cooperatives or local grass-root institutions in providing social protection interventions may increase participation of the most poor and vulnerable fisheries-dependent communities. In Senegal fisheries cooperatives provide fisheries conditional cash transfers for abstaining from destructive fishing and training programmes to improve the management of the natural resources upon which the fishing communities depend (FAO, 2017a). Those interventions can also reinforce co-management to improve natural resource management.
- Enhancing fisheries-dependent communities' economic inclusion, diversification and the transition to alternative sources of income: Fisheries and social protection interventions may enhance fisheries-dependent communities' economic inclusion as well as promote diversification of means of livelihoods and the promotion of climate smart agriculture for fisheries production through the development of agro-ecological fish farming harvest and post-harvest techniques as in the case of in Zambia, Seychelles and Guinea (FAO, 2018c). In South Africa, NGOs and academic/research institutions have had various fairly ad hoc projects offering a combination of social protection and fisheries interventions, supporting sustainable fisheries and alternative livelihoods. For example, the Mussel Rehabilitation Project in Coffee Bay provided fisheries-



dependent women with inputs to establish a local food garden where they could grow their own vegetables, thus, reducing the harvesting of mussels. Social protection interventions such as cash or in-kind transfers, social insurance, school feeding programmes etc. can directly and indirectly increase access to more diversified and better-quality food. For example, Peru have been working together with FAO to introduce the anchoveta fish into school feeding programmes as well as public procurement process, offering an inexpensive, yet nutritionally valid staple product for children, but at the same time a guaranteed market for small-scale fishers (FAO, 2017e). Fisheries policies can promote the development of grass-root institutions (e.g. fishers' cooperatives, associations and other fisheries-based organizations) necessary for enhancing economic inclusion and developing alternative fishery value chains. While social protection interventions can increase the participation of the poorest and most vulnerable beneficiaries in social networks (e.g. cooperatives, community-based credit associations, mutual societies, etc.), which are important sources of information and knowledge sharing, support during hardship, and sources of lending and credit for business development. The National Aquaculture and Fisheries Authority of Colombia (AUNAP) with FAO's assistance promoted and trained two small-scale fish farming organizations to institute and manage a collectively owned revolving fund, which since then is used both as a source of soft loan credit for working capital, and as an attractive social protection safety net. In Costa Rica, collective insurance for small-scale fishers works through cooperatives and fishers' associations, allowing their members to register and receive state subsidies (Solórzano-Chavez et al., 2016). With the objective to promote the development of fishers' organizations, increasing fishers' participation thus expanding the scope of the insurance.

- Strengthening risk management and resilience affecting fishers and fishing communities: Social insurance plays also a key role in strengthening the resilience of fisheries dependent communities. Mexico developed several micro-insurance programmes against extreme climatic variations to protect small-scale rural producers –including the fisheries sector. Costa Rica, introduced since the 1980s collective insurance for small-scale fishers in case of shocks, allowing the members of cooperatives and fishers' associations to register and receive state subsidies while promoting the development of fishers' organizations to expand the scope of the insurance (Solórzano-Chavez et al., 2016). Peru introduced by the Ministry of Production, the Mandatory Insurance for Small-Scale Fisherman (SOPA) which acts in the form of personal accident insurance and covers the risk of death and bodily harm suffered by independent small-scale fishers including crew and non-crew members (Ministerio de Producción del Perú, online). Additionally, the General Directorate of Agrarian Promotion offers an insurance policy called “Seguro + VIDA” to independent small-scale fishers and other fishworkers, which covers personal accidents and grants compensation in case of death or total or partial permanent disability. Furthermore, in Morocco, social protection was made an integral element of the fisheries sector development strategy to build resilience against shocks; linking the marketing of catches to the formalization of the fishing profession, access to health services and social protection contributions (FAO, 2019a). Likewise, the Ministry of Agriculture, Forestry and Fisheries (MAFF) of Cambodia in partnership with WorldFish Center/FAO is discussing the construction of a shock responsive social protection system as part of its fisheries policies. Additionally, the FAO Global Environment Facility (GEF) funded, Climate Change Adaptation in the Eastern Caribbean Fisheries Sector project (CC4Fish) is seeking to introduce adaptation measures in fisheries management, capacity building of fisherfolk and aqua culturists, insurance schemes, and in-kind equipment delivered as well as implementing an ecosystem approach to fisheries management and mainstreaming of climate change. Lastly, social transfers can safeguard people's welfare and assets and assist them in better managing consumption and income shocks. In South Africa, environmental organizations made conditional cash transfers, disaster preparedness and climate change adaptation training to safeguard fishing



communities in cases of climate shocks (FAO, 2017a). After cyclones Sidr and Aila, the Government of Bangladesh provided short-term relief in terms of food, cash, drinking water, medicine, clothing followed by reconstruction efforts through Cash for Work such as building coastal embankments and other physical infrastructure (roads, houses) as well as mangrove afforestation programmes. In addition, the small-scale fishers of the region benefited from the Emergency Cyclone Recovery and Restoration Project to facilitate restoration and recovery and build long-term disaster preparedness. It provided small-scale coastal fishers with improved boats, nets and safety equipment, and technical assistance and training in aquaculture practices. The project also worked on strengthening the Disaster Risk Reduction (DRR) capacity of the government and preparing future operations for long-term risk reduction.

8. What is the current and/or likely political support for this idea?

As mentioned, social protection is a recognized right and a major part of the countries in the world committed to expand social protection to all (recommendation 202 related to the social protection floors of ILO and SDG 1.3). It does also significantly contribute to a broad range of SDG goals, including goals 2, 3, 5, 8, 10, 16 and 17.

9. Are there certain contexts for which this solution is particularly well suited, or, not well-suited.

Social protection systems have different levels of development and coverage around the world. Some countries have also built their social protection on humanitarian responses, while others on grassroots' organizations. Due to the important of context, the solution will be implemented based on key principles listed in ILO's conventions and recommendations. This solution should be established progressively depending on countries' levels of economic and social development through a wide range of programmes and measures and contribute to the strengthening of national social protection systems. It should be also built following the common objective of building inclusive and sustainable food systems.