The importance of universal social protection for smallholder farmers and rural populations, as well as its broader role in contributing to food security and nutrition

By

Ms. Christina Behrendt, Social Protection Department, International Labour Organization

The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
The importance of universal social protection for smallholder farmers

UNCTAD 8th Multi-year Expert Meeting on Commodities and Development
Geneva, 22 April 2016

Christina Behrendt
International Labour Office, Social Protection Department
Social risks can negatively impact economic opportunities for smallholder farmers and rural populations.

- Maternity
- Sickness
- Access to medical care
- Work injury
- Disability
- Support for children
- Loss/lack of employment/livelihood/income
- Loss of breadwinner
- Old age
Lack of social protection often affects rural populations in particular

Proportion of the global population not covered by a health protection mechanism:
39% total population
56% rural population

Note: Share of the population covered by national health service or affiliated to a public or private health insurance.
Universal social protection: Social protection floors as part of wider system

- Access to essential health care including maternity care
- Basic income security for children providing access to nutrition, education, care and any other necessary goods and services
- Basic income security for persons in active age unable to earn sufficient income
- Basic income security for persons in old age

NATIONAL SOCIAL PROTECTION FLOOR: nationally defined basic social security guarantees

NATIONAL SOCIAL PROTECTION SYSTEM

Higher levels of protection
Universal social protection – how?  
Country examples

- Adapted health insurance mechanisms combined with tax financing facilitate effective access to health care
  
  *Colombia, Ghana, Rwanda, Thailand*

- Cash transfers for children and families reduce vulnerability and facilitate access to nutrition, health and education
  
  *Argentina, Brazil, Mexico, Mongolia, South Africa*

- Cash transfers for poor households with limited work capacity channel resources into poor rural communities (est. multiplier effect: 1.5-2.5)
  
  *Ghana, Kenya, Lesotho, Malawi*

- Adapted contributory pensions or tax-financed pensions provide income security in old age for farmers and rural populations
  
  *Brazil, Lesotho, Nepal, Viet Nam*
Extending social protection to smallholder farmers and rural populations: positive impacts

Income security
- Direct income support
- Poverty reduction and prevention
- Positive impacts on food security

Risk management
- Addressing social risks for farmers and rural populations
- Potentially increasing productivity

Stimulation of the local economy
- Channelling cash into local economy, multiplier effects
- Positive effects on agricultural production, rural employment and poverty reduction
- Facilitating access to formal structures

Investing in people
- Development of human capital
- Health, education, skills
- Breaking intergenerational transmission of poverty
Farmers often invest **cash transfers** in food production.

Spending of **cash transfers** on food can stimulate domestic food production.

Access to essential **social services** (e.g. health, education) can raise the productivity of farmers so they produce more food.

Access to essential **social services**, especially health care, should improve the biological utilisation of food by individuals.

**Supplementary feeding** provides nutritious food to vulnerable individuals.

**Cash transfers**, including public works payments, can finance food purchases.

Regular **cash transfers** allow recipients to take calculated risks, and/or invest in more profitable livelihood activities.

- **In-kind transfers** of food increase access to food directly
  - Access to essential **social services** (e.g. education) can promote livelihoods and increase income for buying food.

**Cash transfers** can respond to fluctuations in food prices if they are indexed to food prices.

Regular **cash transfers** stabilise income and allow savings and asset accumulation that buffer against price shocks and income variability.

- **In-kind transfers** (food) ensure stable access to food even if market supplies and prices are unstable.

The way ahead: Time for action

2030 Agenda for Sustainable Development

Social protection is reflected in several SDGs

ILO Global Flagship Programme on Building Social Protection Floors for All

Working As One within UN and with other partners
Useful resources

- Recommendation concerning national floors of social protection (Social Protection Floors Recommendation), 2012 (No. 202).

- Recommendation concerning the transition from the informal to the formal economy (Transition from the Informal to the Formal Economy Recommendation), 2015 (No. 204).


- Extending social security to all. A guide through challenges and options (Geneva: ILO, 2010).


- Global Flagship Programme, including
  - Brochures and strategy
  - Country and thematic opportunities documents
  - Delivering as one UN briefs

- Web platform on social protection and the SDGs – time for action

- Social Protection Platform: www.social-protection.org/

- Social Protection and Human Rights web platform: www.socialprotection-humanrights.org/

contact: behrendt@ilo.org
National social protection floors contribute to food security (1): Availability

<table>
<thead>
<tr>
<th>Components of food security</th>
<th>How can national SPFs address food insecurity?</th>
<th>Which food security instruments could be integrated in, or linked to, national SPFs?</th>
<th>What complementary policies are needed to ensure food security?</th>
</tr>
</thead>
<tbody>
<tr>
<td>AVAILABILITY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic production</td>
<td>Farmers often invest cash transfers in food production</td>
<td><strong>Agricultural input subsidies</strong> stimulate foodcrop production and household food security, especially if they are targeted to food insecure farmers</td>
<td>Food production can be promoted by all policies that enhance farmers’ access to agricultural inputs: arable land; irrigation; fertiliser; seeds; tools; and financial services</td>
</tr>
<tr>
<td>Import capacity</td>
<td>Spending of cash transfers on food can stimulate domestic food production</td>
<td><strong>Public works</strong> projects that support farmers (e.g. soil and water conservation, hillside terracing) can raise agricultural production</td>
<td>Food availability can also be influenced by favourable national and international trade policies</td>
</tr>
<tr>
<td>Food stocks</td>
<td>Access to essential social services (e.g. health, education) can raise the productivity of farmers so they produce more food</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food aid</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
National social protection floors contribute to food security (2): Access

<table>
<thead>
<tr>
<th>Components of food security</th>
<th>How can national SPFs address food insecurity?</th>
<th>Which food security instruments could be integrated in, or linked to, national SPFs?</th>
<th>What complementary policies are needed to ensure food security?</th>
</tr>
</thead>
</table>
| ACCESS                     | ▪ **Cash** transfers, including public works payments, can finance food purchases  
▪ Regular **cash transfers** allow recipients to take calculated risks, and/or invest in more profitable livelihood activities  
▪ **In-kind transfers** of food increase access to food directly  
▪ Access to essential **social services** (e.g. education) can promote livelihoods and increase income for buying food | ▪ **School feeding** increases access to food for poor children; “home grown school feeding raises local farmers” incomes  
▪ **Public works** projects that build feeder roads can link people to markets and lower food prices  
▪ **Food price subsidies** can raise access to food by lowering the cost of food in local markets or retail stores | ▪ **Asset transfers** and livelihoods support (e.g. training for diversification) can graduate people out of food insecurity |
### National social protection floors contribute to food security (3): Stability

<table>
<thead>
<tr>
<th>Components of food security</th>
<th>How can national SPFs address food insecurity?</th>
<th>Which food security instruments could be integrated in, or linked to, national SPFs?</th>
<th>What complementary policies are needed to ensure food security?</th>
</tr>
</thead>
<tbody>
<tr>
<td>STABILITY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weather variability</td>
<td><strong>Cash transfers</strong> can respond to fluctuations in food prices if they are indexed to food prices</td>
<td><strong>Weather-indexed insurance</strong> schemes compensate farmers for harvest failure or livestock losses</td>
<td><strong>Grain reserves</strong> or buffer stocks can be strategically managed to stabilise food supplies and prices throughout the year</td>
</tr>
<tr>
<td>Price fluctuations</td>
<td><strong>Cash transfers</strong> stabilise income and allow savings and asset accumulation that buffer against price shocks and income variability</td>
<td><strong>Seasonal public works</strong> or employment guarantee schemes stabilise household incomes (cash-for-work) or access to food (food-for-work)</td>
<td></td>
</tr>
<tr>
<td>Political factors</td>
<td><strong>In-kind transfers</strong> (food) ensure stable access to food even if market supplies and prices are unstable</td>
<td><strong>Price controls, tariff reductions, export taxes or bans</strong>, all protect consumers</td>
<td></td>
</tr>
<tr>
<td>Economic factors</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Cash transfers**
- **Weather-indexed insurance**
- **Seasonal public works**
- **Price controls, tariff reductions, export taxes or bans**
National social protection floors contribute food security (4): Utilization

<table>
<thead>
<tr>
<th>Components of food security</th>
<th>How can national SPFs address food insecurity?</th>
<th>Which food security instruments could be integrated in, or linked to, national SPFs?</th>
<th>What complementary policies are needed to ensure food security?</th>
</tr>
</thead>
</table>
| UTILISATION                 | ▪ Access to essential **social services**, especially health care, should improve the biological utilisation of food by individuals  
 ▪ **Supplementary feeding** provides nutritious food to vulnerable individuals | ▪ Linking the delivery of social transfers to **health and nutrition education** or awareness raising sessions (e.g. conditional cash transfer programmes) should improve the utilisation of food | ▪ Child nutrition status can be enhanced by providing **vitamins and minerals**, promoting **breast-feeding**, and treating **acute malnutrition** |

Social protection in the 2030 Agenda

Target 1.3 - Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.

Target 2.1 - By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.

Target 3.8 - Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

Target 5.4 - Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.

Target 8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Target 10.4 - Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.