



International  
Labour  
Organization



Food and Agriculture  
Organization of the  
United Nations



► **Extending  
social protection to  
rural populations:  
Perspectives for a common  
FAO and ILO approach**

► **Executive Summary**





## Extending social protection to rural populations: Perspectives for a common FAO and ILO approach<sup>1</sup>

---

COVID-19 has shown that the importance of social protection for protecting lives and livelihoods is more critical than ever, as confirmed by the surge of government measures following the outbreak of the pandemic. Yet most of the measures that have been put in place are temporary, some of them have already been phased out and gaps in coverage remain. To address the crisis in a more effective and lasting way and increase resilience, permanent solutions are necessary to reinforce social protection systems, particularly with respect to ensuring universal access to adequate social protection for all, including rural populations – a large challenge even in “non-crisis” times.

The case for – and urgency of – extending social protection to rural populations is evident. Currently about half of the world’s population – and more than three quarters of the world’s poor population – live in rural areas. Rural populations are three times more likely to live in extreme poverty (defined as living on less than 1.9 US dollars per day) than urban populations and are more likely to be in informal employment. Rural populations also face higher exposure to various risks, including working poverty, malnutrition and hunger, poor health, work-related injuries, natural disasters and climate change. At the same time, access to comprehensive social protection is still not a reality for more than 70 per cent of the world’s population, of whom a disproportionate number live in rural areas. This lack of social protection deprives rural populations of a fundamental human right that is also key to realizing other economic, social and cultural rights, including the rights to food, health and education.

Extending social protection coverage to rural populations is essential to addressing poverty and vulnerability, promoting decent work and inclusive economic growth, and increasing resilience to shocks. This joint ILO and FAO report sets out the main challenges that need to be addressed in order to effectively extend social protection to rural populations and illustrates how innovative solutions have been found in a variety of different contexts.

### Taking stock of the specificities of rural populations and resulting barriers to extending social protection

Effective strategies to extend social protection to rural populations hinge on a clear understanding of the factors that can hinder access, since rural livelihoods are often varied and vulnerabilities overlap and intersect. Shared residence in rural areas should not hide the heterogeneity of rural populations both within and across rural areas, such as regarding their occupation, employment status or income levels. Workers in rural areas often engage in a diverse portfolio of activities. Distinctions between wage employment and self-employment and between agricultural and non-agricultural work may be blurred. Many rural workers work in forms of employment that are often less protected than others, including temporary employment (seasonal, casual employment), part-time employment and self-employment

---

<sup>1</sup> This document summarizes the ILO and FAO publication with the same title. The preparation of the publication was led by FAO and ILO’s Social Protection Teams under the guidance of Benjamin Davis (FAO) and Shahra Razavi (ILO), and the main authors are Mira Bierbaum (ILO), Ana Ocampo (former FAO), Christina Behrendt (ILO), Kroum Markov (ILO) and Qiushi Yue (FAO). The preparation of this summary was supported by Sheila Marnie (FAO). The publication is available on the [ILO](#) and [FAO](#) websites.



and many of them also combine different forms of employment. Furthermore, some rural workers are paid only partly in cash and partly also in kind (such as housing). Seasonal, internal or international migrants often represent a large share of the agricultural workforce and different types of migration status imply different barriers and opportunities in accessing social protection systems. Resulting barriers are therefore manifold, including the following:

- ▶ One of the barriers that rural populations face in accessing social protection concerns their exclusion from existing legal frameworks, which is often compounded by the fact that few social protection schemes are actually implemented within a national legal framework. Other legal exclusions relate to minimum thresholds regarding the duration of an employment contract, working hours or covered salaries, excluding those who are informally employed or work for small-scale businesses, including contributing family workers. In addition, many schemes legally exclude international migrant workers based on citizenship requirements.
- ▶ Financial costs can create barriers or disincentives to extending coverage. Smallholder farmers tend to have limited contributory capacity due to their low, erratic and seasonal earnings, while existing liquidity constraints can make rural people prioritize other pressing risks. Furthermore, their income patterns may make contributions unaffordable or make it impossible to adhere to a regular contribution schedule. For non-contributory schemes, financial barriers mainly include transaction costs related to enrolment, collecting payments and compliance with programme requirements as is the case with conditional cash transfers.
- ▶ High administrative costs and lack of capacity have been key challenges to extending social protection to rural workers. On the supply side, concerns over the high administration costs of operating a dense network of contact points for social protection institutions may create barriers to coverage in rural, remote and hard-to-reach areas. On the demand side, remoteness and lack of access to quality services (due to poor roads, the cost of transport, the social stigma that women are exposed to in traveling on their own, etc.) may also make the cost of accessing social protection higher than the actual benefits. Administrative capacity constraints have also led to poor enforcement of social protection provision, such as maternity or employment injury protection. For example, non-compliant employment arrangements may result in rural women being excluded from the maternity protection to which they should be entitled by law. Another fundamental barrier involves the coverage of civil registration and national identification systems.
- ▶ Limited awareness or knowledge of social protection programmes also limits access. This may be caused by the distance from rights and entitlements information points; the type of information available not matching literacy levels in particular rural areas; language barriers in areas with different local languages; and psychological barriers created by high poverty contexts and isolation. Lack of information about programme benefits may lead participants to forego benefits, assuming that the opportunity costs outweigh the potential advantages.

## Exploring innovative approaches to extending social protection to rural populations

Social protection coverage can be extended to rural workers through two approaches, which can and should mutually complement each other:

- ▶ extending social insurance coverage;
- ▶ extending the coverage of non-contributory benefits.

In practice, many countries use a combination of these two approaches in their national social protection systems in order to guarantee at least a basic level of social security to all through a social protection floor, and progressively providing higher levels of protection to as many people as possible. Such an approach is not only essential for promoting the human right to social security, but is also central to facilitating transitions from the informal to the formal economy. The combination of different schemes and benefits can ensure that rural populations are adequately protected throughout their lives, including for the risks and contingencies that are specifically related to work in rural economies, while considering their household and family context.

While there is no one-size-fits-all approach, countries have developed innovative approaches to extending social protection to rural populations that take into account their specific situation, risks and barriers, combining both contributory and non-contributory mechanisms. These include in particular the following measures:

- ▶ **Adapting the policy, legal and institutional set-up:** The extension of social protection to rural populations should be embedded in a comprehensive and coherent policy and legal framework, governing both social insurance and non-contributory benefits. Where workers in the rural economy are not yet covered by national legislation, they should be brought under the protection of the law by extending general social security legislation to agricultural workers (as for example in Ecuador and Jordan) or introducing specific legislation (Algeria, Brazil, Colombia).
- ▶ **Facilitating access, registration and administration:** Examples of successful measures include the facilitation of access through mobile social security offices (as in Brazil and South Africa), one-stop shops or digital services (Mongolia), reducing the need for supporting documents and simplifying other procedures, as well as collective registration agreements (Costa Rica).
- ▶ **Adapting financing, contribution collection, reference earnings:** Many countries have designed solutions to address the challenges related to the collection and financing of contributions, including adaptations of the way in which contributions and benefits are determined, facilitating the payment of contributions and subsidizing contributions for low-income earners (for example in Brazil, Ecuador and Mongolia).
- ▶ **Raising awareness and fostering trust:** Facilitating access to information on social security rights and obligations (for example in Kenya and Zambia) and partnering with agricultural cooperatives or other rural organizations representing agricultural workers (as in Costa Rica) are crucial for raising awareness of their rights and can play a role in facilitating the interaction with social security institutions.
- ▶ **Ensuring compliance and strengthening incentives:** Encouraging compliance through adapted labour and social security inspection in rural areas, in particular with respect to longer distances and seasonality (Costa Rica) and offering incentives for participation by rural population, for example with regard to links to agricultural insurance.
- ▶ **Fostering integration and policy coherence:** Integrated policy approaches that ensure coordination within the social protection system, as well as coordination between social protection policies and agricultural, employment, macroeconomic and other related policies is essential, including with regard to a just transition towards environmentally sustainable economies and societies.

## Perspectives for a common FAO and ILO approach: Key recommendations

The actions and measures that can be instrumental to planning and implementing the effective expansion of coverage to all rural populations are, namely:

- ▶ Understand and address the specific barriers that rural populations face when accessing social protection schemes, programmes and benefits. These barriers are context-specific and should be analysed in detail in order to identify potential bottlenecks.
- ▶ Promote the participation of representative rural organizations of employers, workers and other persons concerned in the design, implementation, monitoring and evaluation of social protection policies and schemes. Their participation is key for understanding the needs of rural populations, and accordingly for designing and adapting social protection systems for the future of work in rural areas.
- ▶ Design and implement adequate legal frameworks to guarantee the right to social security and address implicit or explicit exclusions.
- ▶ Recognize the commonalities and specificities of different population groups in rural areas; consider different approaches – non-contributory and contributory schemes and programmes or both – to building social protection systems, including floors, which guarantee at least basic income security and access to essential health care services, and allow for progressively higher levels of protection for as many people as possible.
- ▶ Consider different financing mechanisms for extending social protection, guided by considerations of financial, fiscal and economic sustainability and solidarity, in particular by extending contributory schemes to persons with contributory capacity and adapting them as necessary to the situation and needs of rural populations, and by complementing them with non-contributory schemes to guarantee a nationally defined social protection floor.
- ▶ Closely coordinate extension strategies with policies that facilitate the transition from the informal to the formal economy, including economic, employment, rural development and tax policies. The extension of social protection to rural populations should specifically address the transition from social assistance to social insurance. While social assistance has a key role to play in guaranteeing basic income support over the life cycle, social insurance is also key to providing progressively higher levels of protection.
- ▶ Develop the economic case for the expansion of coverage. The allocation of sufficient public spending to social protection systems can be motivated by the realization of the investment value of social protection for the promotion of human capital development, economic inclusion, inclusive rural transformation processes and ultimately rural development. Better highlighting the economic impacts of different social protection schemes and benefits, both contributory and non-contributory, can be instrumental in supporting the expansion of coverage.
- ▶ Foster coherence with other sectors, in particular with agricultural sectors, in order to address some of the barriers identified. Establish specific options for each subsector, in particular farmers, herders, fisherfolk and foresters.
- ▶ Adapt the administrative organization of programmes and services to the specificities of rural areas. Three important approaches to consider are:

(i) facilitate access, including in remote areas, such as through mobile offices and single-window services and by harnessing digital technologies in an inclusive way, taking care to ensure that no one is left behind;

(ii) simplify procedures, in particular by reducing the requirements for applying for or validating benefits or entitlements; and

(iii) foster collective registration procedures, acknowledging the critical role that rural organizations can play in supporting social protection systems.

- ▶ Adapt modalities for the determination and collection of contributions; facilitate the payment of contributions; adapt benefit payments, schedules and calculations; subsidize social insurance contributions for low-income earners; and include portability of benefits.
- ▶ Build awareness and trust by ensuring that information on social protection programmes and benefits is readily accessible and that processes do not place additional financial stress on rural participants.

