



Food and Agriculture  
Organization of the  
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16 October 2015 | World Food Day

# Social protection and agriculture



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breaking the cycle of rural poverty

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About one billion people in developing countries live in extreme poverty. Seventy-eight percent of them live in rural areas, where agriculture is the main driving force of the rural economy and, in some cases, of the whole economy.



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## Targeting the most vulnerable

**Over the last 20 years, social protection programmes have expanded rapidly in developing countries, reaching out to 2.1 billion people thanks to social assistance, social insurance and labour market interventions.**

Nevertheless, today only 36 percent of the world's population receives some form of social protection. The majority of households that do not benefit from social protection programmes live in rural areas of developing countries. They are subsistence producers, family farmers or landless agricultural workers who still rely on their own resources and networks to manage their livelihoods and deal with risks.

However since the resources and networks they rely on are frequently insufficient to weather shocks, these households often choose livelihood strategies that forego income to ensure survival. When shocks occur, they are often forced to cope in ways that increase their vulnerability or undermine their future income generation capacity.

Although agriculture plays a key role in eradicating both poverty and hunger, in these circumstances, it offers little on its own in the way of a pathway out of poverty.



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## Social protection does more than alleviate hunger and poverty

**Many countries in the developing world are increasingly recognizing that social protection measures are needed to relieve the immediate deprivation of people living in poverty and to prevent others from falling into poverty when a crisis occurs.**

Evidence shows that when poor rural households are provided with social assistance, they are better able to manage risks and shocks; feeling financially more secure and perceiving their time horizon as longer, they tend to increase their investments in agricultural assets and engage in more profitable livelihoods.

The increase in purchasing power generated by cash transfers, or additional income provided by social protection programmes, increase demand for locally produced goods and services, benefiting the local economy and, in so doing contribute to a virtuous circle of economic growth, reduced poverty and improved food security.

**By providing financial or in-kind support to poor and vulnerable households, social protection programmes help the poor overcome liquidity and credit constraints and manage risks that might otherwise discourage them from pursuing higher returns.**

Social protection programmes, such as public works projects, can raise farm incomes and boost agricultural productivity through improvements in infrastructure, soils, water management, and connectivity to markets and access to higher-yield inputs.

Cash transfer programmes in Africa are credited with increases in household economic activities, especially for female-headed households.

Studies from a number of countries, including Ethiopia, Lesotho, Malawi, and Zambia, found that cash transfer programmes are contributing substantially to increases in investments in agricultural inputs and tools, and assets, such as livestock. As a result household production increases, contributing to greater and more diverse food consumption.

In countries where women have limited access to land, financial services, technologies and labour, social protection programmes can make a real difference, in particular by preventing maternal and child malnutrition. Moreover, it has been repeatedly shown that social protection interventions have a greater impact on education, health and nutritional outcomes when women are the direct beneficiaries.

## The virtuous circle at work

In 2013, at least 146 countries provided one or more forms of social assistance, benefiting over one billion people. Brazil, Ethiopia, India, Mexico and South Africa are all examples of countries where large-scale social protection programmes have successfully contributed to combat hunger and poverty.

In Mexico, the PROSPERA programme, covering about 32.9 million individuals, is credited with having reduced poverty by about ten percent and the poverty gap by about 30 percent over the span of two years; in Brazil, the food procurement programme, *Programa de Aquisição de Alimentos* (PAA), launched as part of the Zero Hunger Programme, purchased more than 3 million tonnes of food supporting over 200 000 farmers over a period of ten years; in Ethiopia, the *Productive Safety Net Programme*, a public works programme that also includes cash transfers to the poorest, covers about 7.5 million people and is the largest safety net programme in sub-Saharan Africa, outside of South Africa. It is credited with having reduced national poverty by about two percent and the length of beneficiaries' hungry season by one third.

All social protection programmes reflect governments' commitment to protect vulnerable categories in society, lift them out of the cycle of poverty and hunger or prevent them from falling into it.



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## A multidimensional approach

**Social protection is necessary to end hunger and poverty in all its forms and can help accelerate social and economic progress.**

Nevertheless, to successfully leverage its immense potential, social protection needs to be firmly integrated into broader agricultural development strategies and aligned with food security and nutrition policies. Integrating agricultural development and social protection promotes sustainable rural development by effectively protecting and promoting rural livelihoods.

In 2013 social protection programmes saved up to 150 million people living in rural areas from extreme poverty, lifting them out of a vicious circle of poverty and hunger.



## What is social protection?

Social protection is a blend of policies, programmes and interventions that aim at protecting poor and food-insecure people and to lift them out of poverty and hunger.

Through a variety of programmes that provide financial or in-kind support to poor and vulnerable people, social protection enhances their income, capacities and rights.

## Social protection programmes are broadly classified as:

- **Social assistance programmes:** publicly provided transfers that can be conditional or unconditional cash, or in-kind transfers, or public works programmes.
- **Social insurance programmes:** typically financed by contributions from employees, employers and from the state. Such schemes enable people to protect themselves against risks (illness, accidents, etc.) by pooling resources among a larger number of similarly exposed individuals or households.
- **Labour market programmes:** provide unemployment benefits, build skills, and enhance workers' productivity and employability.

Under the theme "Social protection and agriculture: breaking the cycle of rural poverty", the official ceremony of the World Food Day 2015 will take place at Expo Milano 2015.

The UN Secretary-General Ban Ki-moon will join the celebrations.

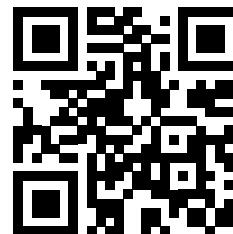


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