LOCAL SOLUTIONS TO SOCIAL PROTECTION
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1. Introduction

As developing countries cope with limited financial and organizational resources, the goal of providing extensive social protection (SP) for all rural poor is far from being achieved. Accordingly, governments must put in place innovative institutional arrangements and partnerships with all relevant stakeholders to strengthen social protection systems.

Social protection, intended as a combination of social assistance, insurance, services and mechanisms of social equity, is increasingly considered by decision-makers as a strategy to relieve rural families from extreme poverty. Rural organizations (ROs) represent their members in decision-making processes and provide various services to them, with good coverage and social outreach where public institutions struggle to intervene. For these reasons, there is an argument for acknowledging ROs as relevant stakeholders in the formulation and implementation of SP strategies. For the purposes of this study, ROs are intended as formal and informal groups (e.g. village associations, producers’ organizations, agricultural cooperatives, etc.), based on the participation of members acting together to attain agreed-upon socio-economic objectives. Members can be vulnerable smallholders or rural workers whose livelihood mostly depends on productive activities in the sectors of agriculture, livestock, fisheries and forestry.

First, we present a rationale for considering the role of ROs in SP based on the current weaknesses of national SP systems. Subsequently, we use practical examples and two case studies to show the two dimensions where ROs actively contribute to protecting the rural poor: 1. ROs operating as partners in national SP programmes through the establishment of participatory mechanisms; 2. ROs conducting collective practices of social assistance, insurance, services and mechanisms of social equity, thereby increasing the level of protection of their members.

On these grounds, it is suggested that governments look at the role of ROs more thoroughly, acknowledging and increasing their contribution, collecting evidence on their impact and drawbacks, and supporting their growth.

2. A rationale for including rural organizations in social protection

Formal institutions of developing countries are still unable to fully satisfy the need for social protection of the rural poor in terms of social assistance, insurance, finances, and mechanisms of social equity. In particular, they struggle to ensure extensive coverage for all regions affected by poverty and inclusiveness to reach the poorest citizens. Among the rural poor, many operate within informal and often “invisible” economies that are difficult to incorporate. Particularly in rural areas, there are high percentages of informal employment and low rates of registration in civil registries, making access to national social security systems (e.g. job insurance, pensions, health) more difficult.

In addition, governments struggle to get comprehensive information on the socio-economic status of potential beneficiaries. Discrepancies emerge in terms of who needs protection and what is needed. Accordingly, broad participation of those who will be affected by the policy-making process is of utmost importance in order for SP services to be relevant and adequate to meet the needs of beneficiaries.
Finally, governments struggle to put in place effective and efficient delivery mechanisms of SP. For instance, targeting mechanisms are sometimes unfit to identify the poorest in efficient and equitable ways, and programmes fail to distribute limited financial resources with a real impact on target groups. Corruption and political distortions hamper the accountability of certain local institutions and the transparent administration of delivery mechanisms, thus increasing the misuse or dispersion of SP resources.\(^1\)\(^2\)

The constraints and gaps in SP systems are frequently ascribed to the lack of financial resources and infrastructures. However, weaknesses in the national and local governance of SP can be equally determining. At the national level, scattered programmes are not sufficiently connected and “scaled up” to cover extensively all SP needs. SP systems lack sufficient recognition and enactment across governmental structures and sectors (agriculture, education, health, etc.), although governments are increasingly establishing interdepartmental commissions in an effort to coordinate SP across programmes and sectors. Central governments also encounter difficulties in linking with local authorities, and fail to provide the right incentives for them to deliver programmes efficiently. Finally, at the local level, the frequent lack of formalization of participatory mechanisms limits the contribution of civil society.\(^3\)

The governments of some developing countries (e.g. Brazil, Mexico and Indonesia, to name a few) have already taken action to respond to these challenges. There is an emerging tendency towards decentralization processes and the devolution of more authority to local governments, increasing their responsibility and accountability. In such a context, the International Labour Organization (ILO) has encouraged governments to pursue innovative governance systems in SP with the participation of relevant stakeholders affected by SP policies and programmes. The ILO’s Conventions No. 102 and No. 128 state that relevant stakeholders and representatives of SP beneficiaries (including ROs) should participate in the design, implementation and monitoring of SP beyond mere consultation. Accordingly, governments are searching out new partnerships with non-State actors to share the financial and administrative burden of SP; they are also increasingly adopting participatory mechanisms with civil society organizations for defining eligibility criteria, methods of delivery, mechanisms for monitoring social services and accountability of institutions, etc.

In this evolving institutional scenario characterized by decentralization, partnerships and participatory policy-making, ROs play two main roles that partly compensate for the weaknesses of SP systems.

ROs represent rural people, and advocate and negotiate for their needs with public and private actors. In the position of intermediaries, ROs have the potential to inform the design of SP policies and to take up certain tasks in the implementation of SP programmes (e.g. targeting, registering, monitoring). Therefore, ROs operate as external service providers to publicly managed SP programmes.

ROs conduct collective practices of SP to benefit their members through risk-sharing arrangements and the creation of economies of scale. Such practices support members in overcoming their financial constraints, reducing transaction costs and better exploring economic opportunities, thus managing risk more efficiently. In this case, ROs are internal service providers for their members, developing an important protective function in informal economies and societies.
3. Participatory mechanisms in social protection systems

Improving the institutional framework of SP means recognizing the important roles and functions that can be conducted by non-State actors such as international organizations, NGOs, the private sector, civil society, and rural organizations. With their experience, information, resources and networks, these actors contribute to filling the SP gaps of governmental institutions, improve the level of technical expertise, and increase the interaction between providers and users of SP services. Governments are establishing mechanisms for the participation of ROs in the attempt to improve the design and implementation of SP programmes (e.g. targeting of eligible citizens, distribution of benefits, transparency and accountability of SP programmes, among others).

We have classified the participation of ROs in governmental social protection mechanisms in different forms according to the degree of autonomy transferred to ROs.

Consultation occurs when central governments seek the advice of local institutions. This can take the form of social councils/commissions/committees with the participation, among others, of RO representatives. In the programme Oportunidades in Mexico, social councils are responsible for watching over inclusion and exclusion errors and raising awareness about priority SP needs. Social councils in Brazil (the programme Fome Zero, or “Zero Hunger”) are also called upon to inform State and central governments on the monitoring of supporting infrastructures and the performance of oversight activities. Furthermore, they inform and facilitate access of beneficiaries to social services. Particularly in South America, consultation mechanisms have represented the foremost effort to establish a dialogue with civil society around the development of social protection and other strategies for reducing poverty.

Collaboration occurs when governments decide to assign some tasks to ROs, according to their capabilities and potential to improve the delivery of SP services to beneficiaries. For instance, ROs collaborate in programmes of local and institutional procurement (the cases of the Brazilian SP programmes PAA and PNAE are illustrated below) that operate on two different levels of protection: 1) they guarantee income generation for poor smallholders by securing access to local markets; and 2) they provide food assistance to pupils in schools, encouraging their attendance and improving their nutrition security. Community targeting operates with the participation of community associations to improve the transparency and accountability of targeting processes (examples are found in the Vision 2020 Umurenge Program in Rwanda, Gratuitous Relief in Bangladesh, and the Food Security Program in Ethiopia). This approach has sometimes contributed to avoiding problems of social cohesion within communities, caused by the top-down appointment of beneficiaries (e.g. Oportunidades in Mexico) in some cases. In other cases, social tensions are caused by local power structures taking over the decision-making process and by the stigma against certain groups (e.g. women, disabled people, indigenous groups). Community targeting can be intrusive as families undergo public exposure of their most intimate conditions, thus turning into a self-targeting mechanism where only the more destitute and desperate are ready to accept the stigma of selection.

In the cases of Indonesia (the community empowerment programme PNPM) and the United Republic of Tanzania (Tanzania Social Action Fund, or TASAF), governments have opted for the devolution of the autonomous
management of community grants. Benefits are transferred by the central government to community associations, and accompanied by advisory support and general supervision. In both cases, the driving principle is to enhance features of collective action and local governance to develop community projects for the benefit of the most vulnerable. Communities receive adequate training to establish and run local associations that are responsible for the selection of beneficiaries, and to deliberate on the investment of block grants. These experiences have shown that little central bureaucracy is needed if appropriate training is given and the programme design remains simple. It is also crucial to provide the right incentives for communities to invest cash transfers in favour of the most vulnerable, thus fulfilling the original purposes of SP.

Manifold experiences on participatory mechanisms, such as the PNAE and the PAA in Brazil, point to a few key factors of success.

**BRAZIL: Programa de Aquisição de Alimentos (PAA) & Programa Nacional de Alimentação Escolar (PNAE)**

The PAA and the PNAE are local procurement programmes established by the government of Brazil. Both programmes were initiated in 2003 within the framework of the broad Zero Hunger initiative, aimed at increasing the level of food security among the Brazilian poor. Food purchases are operated through ROs (producers’ organizations and cooperatives) and distributed to local public institutions (in the case of PAA) and schools (PNAE).

The objectives of Zero Hunger declared by the Brazilian government are various, and include relevant aspects of SP: 1) stimulating production for consumption to improve the food security of disadvantaged communities; 2) generating surpluses for sale in institutional markets to guarantee an income floor for poor smallholders; 3) developing local markets for the sustainable inclusion of smallholders in the economy; 4) supplying stocks of quality food to be distributed in food programmes, respecting local traditions and habits (e.g. Cesta Básica, the Brazilian programme for the unconditional food transfer to destitute citizens); and 5) strengthening family farming to foster social inclusion, solidarity economy and good agro-ecological practices.

Local procurement of food is governed both at the national and local level through a complex but highly interactive institutional framework, where ROs are given a pivotal role. Programmes are coordinated by the Ministry of Social Development (MDS) and ensure the collaboration of other ministries through the establishment of a cross-ministerial Managing Group. This is linked to local municipalities that are responsible for coordinating operations with ROs.

The government considers ROs true partners and intermediaries for the smooth delivery of the programmes, particularly because of their ability to connect with rural families and their sensitivity to the issues faced by vulnerable families. ROs are responsible for preparing offers that flag local demand and the potential for supplying it to the municipality. They decide on product qualities, prices and...
quantities, and carry out the selection of farmers accordingly. Once the RO has started supplying its products, the municipality proceeds with the payments to the organization’s private account. ROs have raised awareness about the programmes and their requirements among farming families, facilitating broad inclusion in the programmes.

The Brazilian government manages to fulfil different SP functions by putting in place specific mechanisms within the PAA and PNAE. Direct purchasing for simultaneous donation allows for supplying schools and other local institutions (day care centres, shelters, hospitals, subsidized restaurants and community kitchens), ensuring the food security of pupils and other targeted poor. Direct purchasing is also valuable for stabilizing the incomes of smallholders by providing an income floor and, according to demand, a certain regularity of purchases. ROs also stock products in their localities through governmental infrastructures (stocks for family farming). Farmers are able to sell in more rewarding periods and secure better incomes, while stocks ensure food availability to purchasing institutions. The MDS also offers the opportunity for ROs to buy their product in advance (advanced procurement), allowing farmers to afford seeds and other inputs so that they can initiate production. This mechanism is particularly useful for the poorest farmers who have no access to other forms of microcredit and have started to see this modality as the best way to get funded without any banking red tape.

The PAA and PNAE have been particularly successful thanks to the government’s commitment to allocating resources and building a dialogue with farmers’ organizations and local municipalities. The acknowledgement of the role of farmers’ groups by the Brazilian government has proven to empower smallholders and smooth the programmes’ delivery operations. The Managing Group has established a successful collaboration with local municipalities (although in some areas the local institutional counterpart has not been created yet). The government has also been successful in providing support programmes (such as training and access to credit) and in delegating the democratic selection and organization of these to local ROs.

Local procurement programmes in Brazil have shown good performance beyond stated objectives. In accordance with their aims, the PAA and PNAE have greatly increased the redistribution of economic resources to smallholders, promoting local agricultural production and better levels of economic stability for vulnerable rural families. Furthermore, a variety of mechanisms have facilitated farmers’ access to credit and infrastructures. The prerequisite of membership in a producers’ organization (PO) has substantially encouraged participation in local organizations, favouring smallholders’ access to the programmes and to other services offered by POs (e.g. extension, collective purchases, access to local markets).

The Brazilian experience offers grounds for further improvements, however, both in terms of ensuring SP for beneficiaries and in strengthening ROs’ implementation capacity. (1) Oftentimes, ROs struggle to guarantee certain qualities and quantities of supplies, while purchasing institutions require a regularity of provisions. This might be due to a lack of technical ability, financial resources, information, or
The existence of policies envisioning participatory mechanisms does not necessarily guarantee that these mechanisms become operational. Their effectiveness depends on the government’s political commitment. First, it is indispensable that participatory mechanisms at the local level be formally institutionalized through national policies and enacted upon. Subsequently, government must be willing to allocate appropriate resources to SP programmes and, in particular, to the effective coordination of participatory platforms with ROs. Success depends on the ability of central administrations to manage “horizontal” coordination across ministries and “vertical” coordination from the national to the local level, engaging local organizations and municipalities in decision-making, supporting their capacity development, and devolving to local governments the effective authority to convene relevant political and technical actors.

Broad representativeness is one of the cornerstones of participatory mechanisms. ROs’ proactive and successful representation of the interests of the poor encourages: creating and strengthening strong bonds within ROs and other civil society organizations; making responsible decisions and redistributing resources in favour of the poorest, consistent with the SP aims of the programmes; improving targeting mechanisms; linking groups with external actors and networks; and establishing a transparent dialogue among participating ROs and other actors, while avoiding corruption and nepotism. In Mexico, for instance, local ROs were excluded from the management of cash transfers due to their political co-optation by RO leaders and the lack of proactive engagement of members in their agricultural cooperatives.

Local ownership is crucial for the internal functioning of ROs and within the broader institutional framework of SP programmes. In Indonesia, village associations were successful in managing community grants, thanks to good inclusiveness and commitment. But they were not able to influence the broader decision-
making elites, who were not directly involved in the programme, with their principles of transparency and good governance.

In participatory mechanisms, ROs perform a transformative function, where “transformation” refers to the need to pursue policies that relate to power imbalances in society that encourage, create and sustain vulnerabilities.6 ROs bring their members to the centre of decision-making in the design and implementation of SP, while improving their technical, organizational and negotiation skills. By taking part in decision-making processes, ROs are able to voice their members’ needs and interests, make sure that the right benefits are delivered to the appropriate targets, and hold public institutions accountable for their actions. This political inclusion constitutes the foundation for the broader economic and social inclusion of the poor.

4. Collective practices of SP

Collective practices of SP exist but are often disregarded by national SP policies and programmes, and little or no support is provided to encourage and sustain these initiatives. Certain principles characterize ROs: they are driven by collective principles of solidarity, reciprocity and democracy, and – most importantly – count on the participation and ownership of members who are bound by common needs and interests. Their highest value is in covering areas often unreached by public programmes. Following is a short classification of ROs illustrating how they offer social assistance, insurance and agricultural, financial and social services, improving the level of protection of their members.

Several informal groups of rural poor are not recognized by national polices and laws, but are entrenched in the social structures of local communities. They normally take the form of community savings and loan schemes, such as rotating savings and credit associations (ROSCAs), Accumulated Savings and Credit Associations (ASCAs), Village Savings and Loan Associations (VSLAs), and self-help groups. Other groups help members in need to access land, inputs and other indispensable subsistence resources (e.g. water and natural resource user groups) and basic social services (e.g. burial associations, shared tenancy groups).

Microinsurance organizations aim to prevent rural people from losing/reducing their incomes and assets, and to save livelihoods and lives in cases of severe shocks and destitution. Their services include compensation schemes covering the loss of personal assets, crop failures, health, death, loan protection, and shelter provision.8 Various types of member-based cooperatives, associations and mutual funds provide financial support to members in need. Microfinance organizations, such as savings and credit cooperatives (SACCOs), were established to grant opportunities for accessing liquidity to vulnerable citizens who are normally excluded by the formal banking system.

Producers’ organizations (POs), such as farmers’ organizations, agricultural cooperatives, and traders’ and processors’ organizations, establish collective arrangements to access local procurement markets, loans (e.g. through rotating funds), and agricultural inputs (e.g. seed fairs). POs run grain reserves and warehouse receipt systems, allowing farmers to mitigate the risk of falling prices. Finally, POs can provide training for unskilled members and work-sharing arrangements for accessing liquidity during halts of production or unemployment.
The **case of Malaysian ROSCAs** and a broader review of collective practices of SP bring to light important features of ROs, along with challenges and areas for improvement.

ROs show some **strengths** compared with central governments and the private sector. On one hand, ROs seem better suited to guarantee broad social reach at the local level (particularly including the most vulnerable, whom they represent and who are often unable to access formal SP services); exhibit high responsiveness to the needs of their members; and show high sensitivity towards cultural dynamics and norms. The contribution of these institutions is also valuable for reinforcing the importance of risk coping and for promoting the values of mutuality, responsibility and solidarity. Indeed, the strength of ROs lies in the solidity of cultural systems which people always refer to during and beyond times of despair, thus making collective arrangements resilient and affordable. Successful ROs are normally initiated through bottom-up initiatives, are highly inclusive and transparent, and have members bound to the organization by common interests, common values, and some sort of commitment (e.g. a subscription fee).£

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**MALAYSIA: Rotating Savings and Credit Associations (ROSCAs)**

ROSCAs are lump-sum funds composed of fixed contributions from members (normally 12–20) who receive the “pot” in turn, at fixed intervals and as a whole. ROSCAs are widespread in developing countries, and in the last 15–20 years have been steadily increasing in Malaysia. They can be named differently according to the region: **Tontines** in Central Africa, **Ekub** in Ethiopia and Eritrea, or **Chit Funds** in India. Their importance lies in providing financial services to people who are unlikely to have access to publicly managed programmes of private insurance and credit. Indeed, in remote rural areas insurance, savings and credit services are often a prerogative of a few government officials, the armed forces, and employees of large companies. At the same time, the private sector is scared away by clients who are considered potentially insolvent. In Malaysia, **ROSCAs compensate for the lack of financial inclusion in formal institutions by providing financial services to low-income and vulnerable rural citizens, particularly women.**

ROSCAs are normally started by an “organizer” who gathers a group of people interested in savings and credit. The group then agrees on the composition of participants, the amount to be contributed, the frequency of contribution, and further mechanisms (e.g. what to do in case of emergencies). The organizer is then responsible for collecting and distributing the loans.

Malaysian communities normally practice three types of ROSCAs. (1) In the **random ROSCA**, the beneficiaries are appointed by lottery to determine their sequence. Accordingly, these obtain and repay the loan in turn. Organizers are normally the first to obtain the “pot”, which puts them in a risk-free position in case of defaulters. (2) The **consumer durable ROSCA** has an identical rule of appointment, but different aims. The organizers settle a deal with wholesalers for consumer goods (electrical items, seeds, tools for agriculture) with a discount in view of future purchases for the subsequent beneficiaries of the group. (3) Finally, in the **bidding or auction ROSCA**, beneficiaries bid for the “pot”. The
person who is willing to give up the highest percentage gets the loan for that month. This surplus is shared among members, except for the bidder.

Through ROSCAs, members fulfil various functions to protect and promote their economic situation. ROSCAs are often used as a mechanism of forced savings by members who would otherwise lack the conditions or the commitment to put money aside. Malaysian women, for instance, report that they join ROSCAs particularly to save money and cover the expenses for their children’s health care and education; they use money to buy seeds and other inputs promoting the household’s well-being; and finally, their savings make the household more prepared to confront unexpected emergencies. Forced savings then becomes an empowering financial instrument for more vulnerable groups such as women and children (in Malaysia, ROSCAs are often exclusively composed of women).

Second, members obtain funds from ROSCAs to buy inputs locally and start small businesses, promoting the household’s food security and subsistence, and the growth of the farming community.

Finally, ROSCAs can function as microinsurance. When a member faces an emergency, she might be granted access to the “pot” in a sign of solidarity, for example by swapping position in the sequence or receiving the surplus funds from auction ROSCAs. Obviously, ROSCAs cannot work as insurance on income (which is a precondition to participate) or against covariant risks that affect the whole community (e.g. a drought which puts all farmers in the same situation).

Like many other informal organizations, ROSCAs are based on cultural norms of reciprocity and mutual trust among members who share close social ties. These values facilitate the governance of local informal institutions and ease the resolution of potential disputes among members. In small local groups, participants share similar socio-economic status, issues and risks, and are therefore more prone to cooperate and show solidarity with other members. Adverse selection is avoided thanks to mutual trust and mechanisms of peer monitoring. Participants are aware that they will be sanctioned, and possibly ostracized, by their community if they cheat on their fellow members.

Malaysian ROSCAs have proven to be responsive to social and cultural needs. For example, participants in need are granted a loan for costs that are expected (school fees) or unexpected (e.g. funerals). Mechanisms such as default percentages are implemented in auction ROSCAs to provide an alternative to interest rates, which are forbidden by Muslim law.

Issues within ROSCAs are normally linked to the risk of defaults. It might happen that participants refuse to repay or, most likely, that they default before receiving the “pot” due to an unforeseen event. To promote the use of formal financial institutions, ROSCAs were made illegal by the Malaysian government. Consequently, defaults can be particularly harmful as ROSCA members are legally powerless against defaulters.

Formalizing Malaysian ROSCAs means recognizing the important financial and social functions that these informal institutions play for the rural poor. It would provide a legal instrument for participants to prosecute defaulters and would
Inevitably, local systems of protection show some **limitations**. They are localized, unstable and weak in the face of covariant shocks, i.e. shocks that affect a whole village or farming community. Local organizations are limited by community boundaries, with little or no reach to external networks. They often lack resources, in terms of finances, infrastructures, capabilities and information, to cover all urgencies and needs. In some cases, they risk perpetuating traditional forms of hegemony (local political elites, village leaders, chiefs) and discriminatory practices against weaker groups. Finally, organizations based on contributory participation might exclude the poorest who cannot afford an entry fee (which, at the same time, guarantees the full commitment of members).

Some successful ROs have been able to grow (**clustering**) into regional and national unions or federations. Examples are given by the MUSCCO cooperatives in Malawi, the cooperative movement in Kenya, the Nepal Federation of Savings and Credit Cooperative Unions, and many others. These organizations can reach more beneficiaries and networks, increase their negotiating power with the public and private sector, ensure coherence of vision and mission among participating groups, and constitute communal platforms for discussions and exchanges. On the other hand, clustering might decrease the sense of proximity among members, which complicates the coordination between local and central administrations, thus reducing some advantages of these economies of scale.

Finally, the Malaysian case shows how the **formalization** of local groups might help in acknowledging their important function, in linking them to other public services, and in providing legal instruments to enable small money savers to protect themselves. Governments should consider building upon existing nets of protection, using and/or complementing their structures instead of merely substituting them. However, this process should avoid damaging cultural norms that are the very foundation of collective practices.

5. Conclusion

The main objective of this study was to describe the roles that ROs play in protecting the rural poor. We have identified two main dimensions. (1) ROs are recognized as service providers by governments, and implement...
some tasks in the delivery of SP programmes through participatory mechanisms (from consultation to the autonomous management of community transfers). (2) ROs are service providers for their members and contribute to their social protection by arranging collective practices for sharing and managing risk. Both dimensions are particularly meaningful in the face of the financial and governance weaknesses of public institutions, which limit the extensive and adequate coverage of vulnerable rural citizens.

A review of examples and two case studies have provided some elements of reflection regarding the factors enabling the participation and functioning of ROs. Complex institutional systems require coordination both among different ministries and sectors, and between central and local governments. In this institutional scenario, the rural poor must be fully represented and proactive in order to make their needs and wants taken into account. Such is the transformative role played by ROs in participatory mechanisms. ROs show strengths and limitations compared with national SP systems. While they are more likely to understand and have concern for their members’ issues, they are nevertheless often constrained in scope and resources. Clustering could improve ROs’ networks and reach, but this might imply losing connectivity with the representative base. Considering this trade-off is of the utmost importance.

The institutionalization of participatory mechanisms and the formalization of certain collective practices (where relevant) are important steps to be taken in order to acknowledge their importance and facilitate their growth and success.

The evidence on ROs’ contribution to SP suggests three main conclusions. Governments should consider more systematically the role of ROs in the design and implementation of SP policies and programmes, building upon existing mechanisms and resources, and complementing rather than substituting them.

Governments and development practitioners should collect in-depth and contextual evidence demonstrating the added value, opportunities and risks implied by devolving more responsibilities to ROs in SP. This study struggled to find specific reports or analyses of SP programmes with a focus on the contributions of ROs.

Finally, governments should consider committing to formalizing participatory mechanisms and allocating appropriate resources for their implementation. Additional resources can strengthen ROs’ technical, financial and organizational performance aimed at improving their SP services to benefit most vulnerable members.

ENDNOTES
5 PAA – In 2009, funds were transferred to 192 farmers’ organizations, involving 11 135 family farmers. The MDA and MDS allocated a total of R$46.4 million, financing a stock of 52 000 tonnes of different products. PNAE – Between 2003 and 2009, over R$3 billion was invested to benefit 15 million people through donations of food products.
7 In order to be coherent with the mandate of SP, we will refer to practices that strictly address situations of vulnerability, i.e. when, if such practices were not put in place, targeted beneficiaries would not be able to provide for their basic needs (food, health, shelter, basic education) or would seriously incur the risk of destitution.
8 Refer to the ICMIF report for a very comprehensive snapshot of microinsurance organizations. ICMIF. 2012. Sowing the seeds of mutual protection. The ICMIF Development Magazine, 10: 1–38.
10 Herbel, D., Crowley, E., Haddad, N.O. & Lee, M. 2012. Good practices in building innovative rural institutions to increase food security. Rome, IFAD.
In most developing countries, state-led social protection systems struggle to satisfy the need of social assistance, insurance and social services for the rural poor. Member-based rural organizations, intended as formal and informal groups of rural producers and laborers, are already engaged in the provision of these services to their members and poor rural communities. Thanks to their broad social coverage, particularly in hard-to-reach informal economies, rural organizations can act as useful partners of national governments in the implementation of social protection policies and programs.