

Social protection and the financial inclusion of rural women in family farming in Latin America¹

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The fourth webinar in the 'Gender-Sensitive Social Protection' series explored the potential of social protection to contribute to the empowerment of rural women, focusing on financial inclusion programmes in Latin America. It was held on 30 November 2016, in Spanish, for a Latin American audience and featured contributions from Paola Bustamante Suárez (former Minister of Development and Social Inclusion from Peru), Magdalena Mayorga (Advisor to the Chairman of the Board of BanEcuador BP) and Soledad Parada (FAO).

Paola Bustamante Suárez's presentation discussed the impact of cash transfers on women's empowerment in the context of family farming in Latin America. Several governments in the region have implemented a set of interventions aimed at complementing large-scale cash transfer programmes. This has led to significant progress in the provision of protection to vulnerable women and strengthening their economic autonomy. In Colombia, Ecuador and Peru, cash transfer programmes have been complemented by other interventions with the aim to financially include women and enable them to participate in more economically productive activities.

To promote women's economic autonomy, these programmes undertake capacity development on financial literacy to build knowledge and expertise by inducting users on the basics of the cash modality. Mrs Bustamante Suárez mentioned the importance of a special emphasis placed on indigenous women, and incentivising their participation by offering training in their native languages.

Cash transfer programmes contribute to reducing the level of vulnerability that rural women face. Mrs Bustamante Suárez presented the case of the *Haku Wiñay* programme in Peru. The promotion of entrepreneurial initiatives under this programme has had positive results in increasing women's engagement in income-generating activities and in strengthening their productive capacities. This programme's approach offers an opportunity to promote resilient livelihoods and gender equality outcomes more sustainably, through the promotion of inclusive rural businesses and the formation of rural organisations and cooperatives, the enforcement and consolidation of productive family-based systems and financial literacy.

Mrs Bustamante Suárez noted the importance of the linkages between social protection, financial inclusion and rural women's empowerment. As challenges for the region, she mentioned the importance of establishing linkages between gender-responsive social protection approaches and other public policies, as well as generating stronger commitment to women's empowerment among governmental and financial institutions as part of a broader sustainable development process.

In the same vein, Magdalena Mayorga discussed the importance of promoting women's financial inclusion to overcome gender gaps within social protection based on the experience of BanEcuador. Current evidence indicates that financial inclusion schemes by themselves do not necessarily ensure the sustainable economic empowerment of beneficiary women. These need to be complemented by social protection programmes so that they can contribute to poverty reduction.

During the last decade, the Ecuadorian government has emphasised economic development with social equity under the umbrella of the *Buen Vivir* ('Good Life') national plan. Under this initiative, BanEcuador BP focuses on a technical, operational and administrative approach to guarantee women's access to financial services and the promotion of small and medium-sized businesses, especially rural ones, considering gender-differentiated impacts.

In her presentation, Soledad Parada highlighted the potential of financial inclusion to reduce gender inequalities. Complementary approaches of social protection and financial inclusion present opportunities for governments, donors and the private sector to work together more effectively towards the common goals of sustainable and inclusive development. The role attributed to women as the recipients of credit in cash transfer programmes does not seem to necessarily lead to economic empowerment and sustainable development. Indeed, even cash transfer programmes which seek to address gender inequality may increase women's burdens by demanding more of their time and resources to accomplish specific tasks.

All of the presentations highlighted that cash transfers have a potential to decrease gender inequality. There were several positive outcomes in women's empowerment as a result of the programmes in Peru and Ecuador. However, these initiatives must combine the establishment of inter-institutional social protection programmes, women's financial inclusion schemes and development initiatives. Therefore, it is important to create institutional commitment, quality capacity development and assistance to ensure the achievement of gender equality within social protection programmes.

References:

- IPC-IG and FAO. 2016a. "Protección social y la inclusión financiera de las mujeres en la agricultura familiar." Socialprotection.org website. <<http://socialprotection.org/proteccion/C3%B3n-social-y-la-inclusi%C3%B3n-financiera-de-las-mujeres-en-la-agricultura-familiar>>. Accessed 28 December 2016.
- IPC-IG and FAO. 2016b. "Presentación Webinar - Protección social y la inclusión financiera de las mujeres en la agricultura familiar." Socialprotection.org website. <<http://socialprotection.org/discover/publications/presentaci%C3%B3n-webinar-proteccion-C3%B3n-social-y-la-inclusi%C3%B3n-financiera-de-las->>. Accessed 28 December 2016.

Note:

1. This webinar is part of a series on gender-sensitive social protection, a joint initiative between the International Policy Centre for Inclusive Growth (IPC-IG) and the Food and Agriculture Organization of the United Nations (FAO) to foster a community of practice to promote gender equality in social protection.