

Social protection response to COVID-19 in rural LAC: protection and promotion of employment in the agricultural sector

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In partnership with the Regional Office for Latin America and the Caribbean of the Food and Agriculture Organization of the United Nations (FAO-RLC), the International Policy Centre for Inclusive Growth (IPC-IG) published three policy briefs on lessons learned from the social protection response to the COVID-19 pandemic in rural Latin America and the Caribbean (LAC) to build social protection systems back better for rural populations.

The second policy brief in the series examines how social protection can protect and promote rural employment. It identifies good practices in the social insurance (SI) and labour market (LM) responses targeting rural populations during the pandemic. For this assessment, interviews were conducted with stakeholders of three programmes selected as good practices in the region.

In 2017, primary agricultural production contributed to 14.3 per cent of employment in LAC, and an additional 10–15 per cent if employment in the larger food industry is considered. However, estimates from 2017 show that 76.8 per cent of rural workers were informal. Most rural workers, therefore, lack decent working arrangements and protection from work-related risks, which has made them vulnerable to the socio-economic and health consequences of the pandemic.

LAC countries created and/or adapted 163 LM and 42 SI programmes to respond to the COVID-19 crisis. The most common SI intervention consisted of adapting contributory pensions, while wage subsidies to protect employment were the most common LM intervention. Most LM and SI measures focused on formal workers. Thus, it is likely that rural informal workers were excluded from the SI and LM response and had to mostly rely on social assistance. It is concerning that only 5 per cent of SI and 12 per cent of LM responses explicitly targeted rural families and agricultural workers.

Against this background, the good practices analysed include programmes that underwent minor adaptations during the pandemic. Nevertheless, they may offer valuable lessons for the design and implementation of LM and SI interventions adapted to the specific needs and vulnerabilities of rural populations: Brazil's *Garantia Safra*, from the Ministry of Agriculture, Livestock and Supply; Mexico's *Sembrando Vida*, from the Secretariat of Welfare; and Peru's *Proyecto Noa Jayatai-Mujer Indígena* (NJMI), from the Ministry of Development and Social Inclusion.

Brazil's *Garantia Safra* is a public index-based climate risk insurance scheme. It provides cash benefits to guarantee the livelihood of vulnerable family producers who face crop losses. During the COVID-19 crisis, *Garantia Safra* supported family producers affected by droughts or floods from the pandemic's socio-economic effects and production losses, through minor administrative changes, such as facilitated crop loss verification and registration, and single instalment payment. Most beneficiaries also received social assistance through links with Brazil's single registry, the *CadÚnico*.

Mexico's *Sembrando Vida* is a public works programme that aims to mitigate social and environmental degradation, promoting employment for poor rural families

and vulnerable groups in agroforestry production systems. During the pandemic, *Sembrando Vida* underwent minor operational changes, which were fundamental to guaranteeing income for family producers. It was possible to maintain the programme because most of the producers had already been registered.

Peru's NJMI was created during the pandemic to preserve and promote agricultural employment by providing technical assistance and productive assets. The programme was innovative in targeting Amazonian indigenous women as benefit recipients. Building on pre-existing programmes and further innovating Peruvian social protection through organised collaboration with indigenous communities, NJMI supported poor rural households for one year. Like the original programme it was based on, it may present synergies with the cash transfer programme *Juntos*.

None of these programmes were created from scratch. In Brazil and Mexico, pre-existing infrastructure, including registries, was crucial to enable the identification of beneficiaries during the pandemic. In Peru, building on previous experience was fundamental for a swift response. Collaboration with farmers or indigenous organisations supported programme implementation in all three countries. All programmes also prioritised specific vulnerable groups within the rural population.

Regarding common challenges, interviewees from Brazil and Mexico highlighted rural populations' difficulties in accessing documents. Those from Mexico and Peru also emphasised difficulties in accessing indigenous communities due to the danger of spreading COVID-19. Cultural and land-ownership barriers also undermined some efforts in Mexico and Peru.

How can we build back better?

- Address legislative, administrative and financial barriers to contributory schemes by reforming labour legislation, facilitating registration and contribution payments, and subsidising insurance schemes.
- Involve unions and rural worker and indigenous associations in programme design and implementation. Community members familiar with the local languages and culture can contribute to this.
- Use LM schemes that incentivise agroforestry production models to prevent and mitigate the impacts of environmental degradation and the global climate crisis.
- Build smallholders' capacity to reduce the impacts of environmental shocks on their production by offering skills training and preventive agricultural practices tailored to local environments and cultures.

Reference:

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