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Theme: *“Social Protection for Inclusive Development”*

**DRAFT DOCUMENT ON MAINSTREAMING SOCIAL PROTECTION PLAN FOR THE
INFORMAL ECONOMY AND RURAL WORKERS IN THE AU COMPREHENSIVE
AFRICA AGRICULTURE DEVELOPMENT PROGRAMS
(CAADP)**

Introduction:

1. In sub-Saharan Africa, sixty five percent (65%) of the labour force is engaged in agriculture, which contributes for 32% of the Gross Domestic Product, while having the highest poverty. Other relevant characteristics relate to the increasing feminization of the rural labour force and the phenomenon of child labour in rural activities. Women smallholder farmers constitute the majority of food producers, but remain vulnerable. Likewise, youth engaged in rural economic activities are exposed to hazardous work.

I. Social Protection Gaps in CAADP: Conceptual, legal, methodological and technical gaps:

2. CAADP Pillar 3 does not attempt to address all sources and types of vulnerability and food insecurity; rather, Pillar III activities target the vulnerable populations most likely to be able to contribute to and directly benefit from increased agricultural growth. Currently CAADP focuses on some aspects of social protection; mainly the concept of “safety net” and social assistance such as targeted cash transfers or much broader measures (e.g. food subsidies and strategic grain reserves), to the most vulnerable rural households. While covering social assistance programmes, the scope of SPIREWORK goes beyond that of CAADP with regards to social protection, and targets rural workers and members of their families through social protection programmes and social security policies that buffer them from social exclusion. Thus, the mainstreaming Framework draws from the ILO Convention 102 (1958), which defines social security as comprising contribution-based social insurance schemes and tax-financed social assistance.

3. This situation is accentuated by poor working conditions with low access to social security coverage, if any, low productivity and low skill level ending in low and erratic income. In the backdrop of this situation, African leaders adopted the Comprehensive African Agriculture Development Programme (CAADP) in Maputo in 2003. The CAADP is built on four pillars:

- Pillar 1 – Extending the area under sustainable land and water management;
- Pillar 2 – Improving market access through improved rural infrastructure and trade-related interventions;
- Pillar 3 – Increasing food supply and reducing hunger across the region by increasing small holder productivity and improving the response to food emergencies; and
- Pillar 4 – Improving agricultural research and systems to disseminate appropriate new technologies as well as increasing the support to help farmers adopt them.

4. While not being implicitly among the above entry-points, Social Protection has the potential to ensure the development of human capital as enabler to reach the four entry-points. Social protection systems not only reduce vulnerability and prevent the worst effects of poverty, they provide a potential mean by which human development can be protected for the future and promote the political legitimacy of national governments.

5. CAADP focuses on “*physical and infrastructural*” factors of economic development required to increase agricultural production and productivity in Africa. It has limited contend on the *human factor* and rural labour market functioning. This gap can be filled

by the Social Protection Plan for the Informal Economy and Rural Workers (SPIREWORK), which was adopted in 2011 by the African leaders. Access of rural workers and members of their families to social protection services is perceived as complementary to the CAADP Pillars and as a means to boosting productivity of rural workers and to fighting against rural poverty.

6. The CAADP Pillar III Framework recognizes that some of the solutions to addressing hunger and malnutrition may lie outside of direct agricultural interventions, while in fact widespread agricultural growth depends on active and healthy people, and that agricultural growth has widespread indirect benefits. Well-designed interventions can support farmers to become self-reliant and 'graduate' from tax-funded social protection support to flexible contributory social insurance. This is the long-term goal of the mainstreaming framework.

7. SPIREWORK is a growth driver through its contribution to boosting productivity and resilience. SPIREWORK is built on (a) Core guiding principles; (b) national Minimum Social Protection Package based on a comprehensive study, and (c) the Enablers for achieving the Minimum Package such as (i) empowerment of workers through set up or enhancement of their professional organization, (ii) participation in the policy formulation processes with a strong and effective voice; (iii) advocacy and recognition; (iv) alignment of legal and regulatory frameworks; (iv) Statistics and database management on SP of the rural workers; and (v) Knowledge management and experience sharing.

8. Rural workers' organizations are key in the planning process and in the implementation of the mix of social protection measures. This involves cooperatives, which should be enhanced to reduce institutional constraints.

9. Mainstreaming social protection in the African agriculture development policies is a new approach towards a comprehensive and simultaneous improvement of the living and working conditions of the huge workforce engaged in any kind of agricultural occupation. The mainstreaming of SPIREWORK into CAADP is a process seeking to integrate the challenges and strategies of social protection at all stages of the CAADP process, to stimulate decent working conditions and wellbeing of the rural workers and members of their families.

10. The mainstreaming will address challenges such as the poor social assistance and the inappropriate and ineffective social insurance systems prevailing in the rural areas. It will also tackle the issues of child, labour, forced labour and human trafficking practices related to rural activities.

11. Some experiences of member States provide insight to the kinds of actions could help in extending social protection to rural workers. This is the case of experiences such as:

- (i) National social security fund for independent workers/non waged workers in Algeria;
- (ii) Initiative on extending social protection to informal economy and rural workers with health coverage extension for workers in hevea and cacao in Cote d'Ivoire

looking for further extension to the other rural sub sectors following their organization in 2014 and a study on informal economy (contributory capacity, social protection needs and benefits, etc);

- (iii) enactment of social policy and of social protection bill with coverage extension to rural workers in Kenya; (iii) agricultural micro insurance and poverty survey in rural sector evidencing the potential of contribution of rural workers in Malawi;
- (iv) legal framework to organize rural and informal economy workers in Cameroon.

II. Mainstreaming Entry Point in the CAADP:

12. The CAADP Pillar 3 is used as the main entry gate for mainstreaming SPIREWORK into CAADP, and further builds resilience of workers in the rural settings. However, using a comprehensive mainstreaming approach, the other CAADP Pillars will be leveraged to extend social protection to the rural workers. Food insecurity and malnutrition result from low food availability, low income, unemployment, risk and vulnerability, poor access to basic services, including health, water, sanitation and education. Social protection is deemed to play a crucial role in achieving the objective of hunger eradication. The Framework for African Food Security (FAFS) endorses social protection interventions as critical components of effective food security architecture with programmes and policies promoting livelihoods and welfare of poor and vulnerable people: entitlement-based instruments such as unconditional cash and food transfer, school feeding and nutrition programmes, and incentive-based instruments such as conditional transfer programmes, drought insurance and targeted subsidies). People often develop themselves risk-copying strategies ranging from self-insurance (precautionary savings) to informal group-based risk-sharing. SPIREWORK complete the social protection portfolio of CAADP by adding social security schemes covering workers' risks in rural agricultural and non agricultural labour to the above tax funded social assistance programmes.

13. The mainstreaming approach is anchored on integrating SPIREWORK and CAADP through (i) their principles and (ii) their implementation process. Principle 6 of the CAADP Framework aims to ***“Protect and promote the resilience of the livelihoods of the vulnerable”*** in the rural areas. It is taken as a comprehensive operational concept that bridges SPIREWORK and CAADP. SPIREWORK brings the conceptual, technical and methodological tools for an integrated deployment of the principle.

III. MAINSTREAMING PRINCIPLES:

14. The mainstreaming process will:

- Build on the CAADP planning mechanism, process and tools at all levels, in particular at country level. This will ensure that social protection needs of the rural workers and members of their families are taking into account from the formulation stage to the M&E step. For MS with this CAADP process, the mainstreaming will be conducted as a complementary exercise to the country CAADP process. For other countries, the mainstreaming will flow from the national agriculture policy;

- Provide concepts, legal and technical instruments, and tools for designing a right mix of social insurance-social assistance schemes that are likely to support the CAADP objectives on growth and productivity, and to optimize its benefits for the rural workers and members of their families;
- Facilitate synergy and complementarities between various social protection interventions rolled out in the rural settings with poor coordination, thus making it more comprehensive;
- Design social protection schemes in accordance with the various statutes of rural workers engaged either in salaried labour or in self-employment, seasonal/casual work or permanent work;
- Support evidence-based social protection policy measures grounded on statistical work on insecurities/vulnerabilities and social protection needs of the targeted groups, including poverty surveys to define the social protection mix for rural households and workers;
- Recognize and address the specific vulnerabilities, insecurities and protection needs of women and rural youth most exposed to hazardous work;
- The success of the mainstreaming requires ensuing upfront high level strong political support, early involvement of key stakeholders for shared understanding of the challenges and objectives, national ownership

IV. MAINSTREAMING PROCESS:

Conceptual, legal and technical elements:

a. The centrality of income earning capacity:

15. Household and individuals access to food in markets is a function of their incomes and the price they must pay for food. Income is largely dependent on employment. Employment is, therefore, a key determinant of household food security and social protection. Improving access of poor people to income earning opportunities, assets and safety nets reduces their vulnerability and insecurities. Therefore, working towards decent work in rural sector is essential for mainstreaming SPIREWORK into the AU CAADP.

b. Human rights and welfare perspectives:

16. The mainstreaming is grounded on three strands: (i) human right strand based on social assistance/social welfare; (ii) workers' rights strand based on social insurance and (iii) national CAADP Process and M&E mechanism to oversee the entire mainstreaming process.

17. The SPIREWORK Value-added social protection systems beyond the social safety net advocated for by CAADP is based on national frameworks and international labour standards. The Universal Declaration on Human Rights (1948) recognizes social security as a basic human right.

18. The ILO Convention 102 (1958) on Social Security provides guidance for design and implementation of social security schemes at national level in accordance with national situation. It establishes worldwide-agreed minimum standards for all nine branches of social security: medical care, sickness benefit, unemployment benefit, old-age benefit, employment injury benefit, family benefit, maternity benefit, invalidity benefit, and survivors' benefit. Rural workers are confronted to these risks without appropriate coverage, though as workers, they are entitled to these social and economic rights enshrined in national legal frameworks.

19. The ILO Convention 102 (1958) is complemented with the other relevant Conventions to guide the mainstreaming of SPIREWORK in the CAADP. The main components are: Safety and Health in Agriculture Convention, 2001 (No.184); Cooperatives (Developing Countries) R127 (1966); Plantations, C110, and R110 (1958) and Protocol to Plantations, C110 (1982); Rural Workers' Organizations, C141 and R149 (1975). The Convention on Labour Statistics, C160 and the AU Labour Market Information Systems Harmonization and Coordination Framework (LMIS-HCF) provides guidance on developing practical statistics and data collection systems for SPIREWORK in agriculture.

20. Other international instruments relate to Conventions on Child Labour and forced labour, as well as with other legal instruments on human trafficking, which practices prevail in the rural sector. However, owing to country specifics, there are gaps with regards to the ratification of the ILO Conventions, or to the scope of coverage of rural workers by national legal framework and its implementation capacity in the rural areas. In addition, the majority of urban domestic workers originate from the rural areas and members of the families of rural workers. They can contribute to building and enhancing social protection systems in the rural setting, provided that they are appropriately covered as domestic workers in the urban areas.

c. Definition of rural workers:

21. The definition of rural workers by the legal formwork is instrumental in the design of social security schemes that recognized the diversity of their status in the rural labour market. By definition¹, rural workers are engaged in agricultural and non-agricultural activities, and embrace the following categories:

- Self-employed workers, small farmers
- Wage earners
- Seasonal and casual workers
- Cross-border Migrant workers used as seasonal and occasional workers in farming.

22. It is understood that family members of rural workers include all their dependents, for male and female workers. Children and elders are key targets for SPIREWORK in the rural area.

¹ Rural Workers' Organizations Convention, 1975

23. In addition, the targeted rural workers evolve in the following sub-sectors:

- Agriculture
- Livestock
- Fisheries
- Forestry
- Food Processing and
- Other non-agricultural rural activities

d. The scope of social protection under CAADP:

24. SPIREWORK for rural workers and members of their families embraces:

- Employment opportunities for income generation
- Social security according to national legal framework and under the guidance of the relevant ILO Conventions
- Social assistance.

e. Rural SPIREWORK MIX: Social benefits regimes mix: Social insurance and social assistance mix

25. In accordance with the findings of various analytical works and studies, a Rural SPIREWORK mix can be defined at country level, including within the national CAADP process where it exists. The SPIREWORK mix will be based on the distribution of rural household and individuals along the poverty line, as established by national poverty surveys and statistical data. The Mix combines tax based and flexible contributory system based on contributory capacity of rural workers as evidenced by poverty surveys and other labour statistics in the rural area. The long-term aim of the Mix approach is the progressive graduation from social assistance schemes to social insurance regimes in the rural settings.

26. ILO Standards as reference for developing the social protection mix and provide a right based approach in line with relevant national legal frameworks.

f. Integrating SPIREWORK processes into CAAP Process:

27. The CAADP Country roundtable process is in line with the SPIREWORK approach on defining national plans aligned with its process. The overlapping of the two processes allows using the following planning steps in mainstreaming SPIREWORK into CAADP:

i. Evidence-based planning

28. SPIREWORK and CAAP processes have similar approaches and mechanisms supporting evidence-based policy design. The mainstreaming approach builds on them and will use the following:

- Stocktaking and diagnostic, analytical studies and evidence based planning: situational analysis on insecurities, vulnerability, social protection needs, rural labour and social protection statistics system, etc
- The gender dimension must be duly accounted for, in particular with regards to maternity coverage, reproductive health and specific risk in particular activities dominated by female rural workers.
- Value Chain Analysis to identify insecurities, vulnerabilities and social protection needs at different steps of the value chain
Stakeholders' analysis: analysis of rural workers' organizations, employers' organizations, etc. This will facilitate building engagement and partnership development/coalition building
- Institutional, political, legal and policy environment scanning

ii. Programme design:

29. The mainstreaming approach will be laid on the following CAAP and SPIREWORK planning specifics:

- Participatory process and social dialogue in the sector
- SPIREWORK Targets in the CAADP process

iii. Implementation capacity

30. For ease of the mainstreaming process, there is need to develop capacity of the stakeholders in the areas of:

- M&E, lesson learning and sharing
- Organisational and technical capacities of rural workers' organizations, including cooperatives (workers' trade unions and employer organisations)
- Technical and human capacity of key ministries: labour, agriculture, forestry, fisheries, rural development and planning.

iv. Mainstreaming SPIREWORK into the CAADP institutional/support mechanism

31. The CAADP institutional/support mechanism will be used to integrate the implementation of SPIREWORK from design to monitoring and evaluation. A SPIREWORK expert will be added or associated in the following CAADP country coordination mechanism, in fulfilling the following roles:

- Program design support
- Technical specialist backstop support
- M&E implementation expert support

- Regular assessment and performance review: joint review and periodic specific review

32. In addition, there is need to further support the ministries of labour and agriculture/rural development by increasing their institutional capacity, setting up coordination mechanisms with regard to SPIREWORK mainstreaming into CAADP. The mainstreaming can leverage the physical, human, financial and technical capacities of existing social insurance institutions that can extend their services to rural workers, including through partnership to build the capacity and know-how of rural workers' organizations and other related institutions/structures.

33. The mainstreaming will also leverage on SPIREWORK to improve coordination and coherence among various existing social protection programmes targeting rural population but poorly integrated.

v. Programme investment model

34. The integrated CAADP-SPIREWORK planning facilitates defining a SPIREWORK investment programme. It is strongly advocated that interventions under SPIREWORK Framework should be allocated funds in CAADP-informed National Agriculture and Food Security Investment Plans. For example, if carbon credit facilities are identified as a priority intervention of a country some funds could be allocated in the investment plan budget. There should be targeted budget lines within national budgets for social protection to enable the poor to better engage in economic activity.

vi. Public-Private Partnership

35. Governments are responsible for enacting regulations for social protection of rural workers and ensure their effective enforcement. Employers and trade unions, as well as other farmer organizations such as cooperatives are at the centre of the implementation of policies and legal frameworks aiming at guaranteeing decent work and improved working conditions in agriculture. These key stakeholders need to engage in continuous mutual learning and accountability processes through effective social dialogue.

36. The presence of multinational companies and SMEs in the agriculture sector calls for a corporate social responsibility framework. It also justifies the development of Public-Private Partnership to support SPIREWORK in the sector.

37. The roles of the private sector in SPIREWORK-CAADP are essential. It should hold its employers responsible with regards to social security of the workers. This applies in particular to the commercial farming based on contract between the employer and employee. Non-commercial farming, in particular the small farm holders can be supported by the private sector in terms of easing their market access and putting in place other alliance mechanisms. It should also participate in poverty reduction in the rural sector through appropriate interventions aiming at easing market access for rural smallholder farmers.

38. The Micro Finance industry will be engaged to facilitate access to micro credit in the rural sector and to combine their financial services with micro insurance services.

vii. Communication

39. The CAADP and the SPIREWORK Communication strategies should be integrated to support the mainstreaming process and promote access of rural workers to social protection measures responding to their needs. The communication strategies could be in the form of awareness raising activities targeting both rural workers and their employers, utilization of international commemorative events related to agriculture and labour and working with the media industry to promote social protection for rural and informal workers.

viii. Differentiated mainstreaming approaches:

40. For Countries/RECS implementing CAADP frameworks and investment plans, the mainstreaming will be through their CAADP processes. For Countries/RECS that are not yet implementing CAADP framework, the mainstreaming will be through their agricultural policy formulation processes.

ix. Special initiatives:

41. It is advocated that RECs and AUC should facilitate and support the development of product-based social protection which will cover a cluster of Member States with common products (e.g. sugar cane, tea, coffee, cacao, cotton, rubber, wood, fish, tobacco, banana, etc) with the aim of developing common standards. .

x. Monitoring and evaluation

42. The CAADP monitoring and evaluation process will be followed and periodic review could be undertaken as necessary. The reports should be submitted to the relevant bodies of the AU, in particular the competent ministerial conferences. RECs will determine the appropriate M&E process in accordance with their relevant mechanism.