



International
Labour
Office

Portfolio of Policy Guidance Notes on the Promotion of Decent Work in the Rural Economy

**DECENT WORK IN THE RURAL ECONOMY
POLICY GUIDANCE NOTES**

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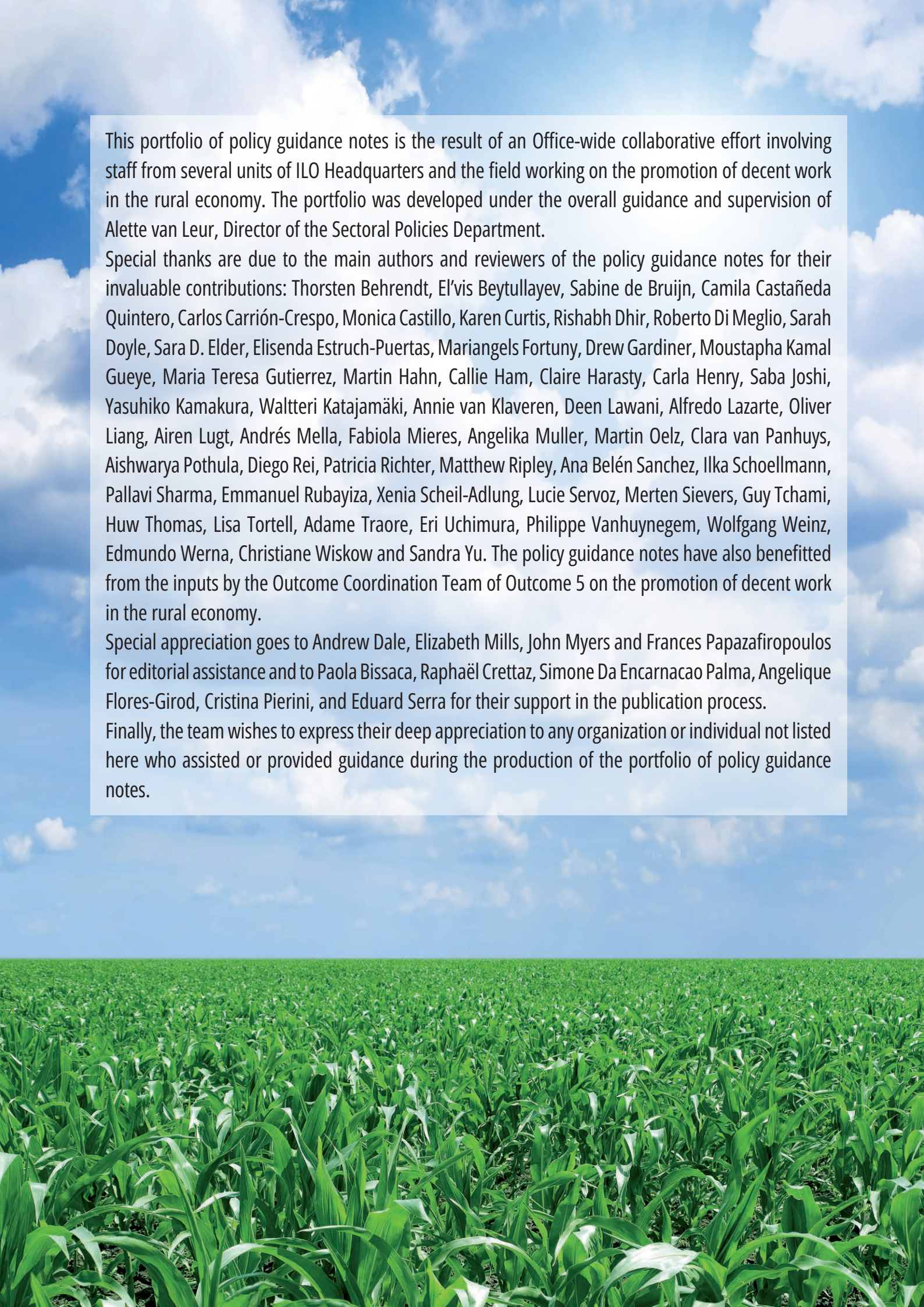
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Portfolio of Policy Guidance Notes on the Promotion of Decent Work in the Rural Economy

Introduction

Today, some 45 per cent of the global working-age population lives in rural areas.¹ Severe decent work deficits characterize the rural economy, which hosts an estimated 88 per cent of the world's extreme working poor.² Labour market institutions, as well as organization and representation of rural workers and employers tend to be weak. Underemployment is widespread, incomes are low and access to social protection is extremely limited. An estimated 80 per cent of people working in rural areas are in informal employment – twice as likely as those in urban areas.³ Young people in rural areas are typically employed on a casual or seasonal basis, under poor working conditions and with limited or no access to social protection. Limited opportunities to obtain quality education and training, to develop and enhance job-relevant skills, to access land, credit and markets are among major barriers to decent work faced by many young people in rural areas. Furthermore, about 71 per cent of all children aged 5–17 in child labour are in agriculture, fishing, aquaculture and forestry.⁴ Forced labour, too, is prevalent in remote rural areas and in agriculture and fishing, where 11 per cent of forced labour is estimated to take place.⁵ Rural workers include significant numbers of temporary and casual workers, as well as migrant workers, who are often vulnerable situations as their rights may not be realized or enforced.⁶ Women are the backbone of rural areas, producing much of its food in addition to being disproportionately responsible for unpaid household and care work. Yet, they have limited and unequal access to land, finance, technology and markets.

The rural economy holds considerable potential for sustained, inclusive and sustainable economic growth, full and productive employment creation and promotion of decent work for all if the right policies are in place. The policy guidance notes in

the portfolio examine a wide range of topics and approaches covered by the International Labour Organization (ILO) in its efforts to promote decent work in the rural economy. The ILO's Decent Work Agenda, as an integrated rights-based development strategy, can support tripartite constituents in their efforts to promote sustainable rural livelihoods.

The promotion of decent work in the rural economy is key to eradicating poverty and ensuring that the nutritional needs of a growing global population are met. This is recognized in the 2030 Agenda for Sustainable Development, which is set to increase attention towards rural development and agriculture and food security in particular.

With its tripartite mandate, normative approach and expertise in the world of work, the ILO strengthens the efforts of the United Nations on rural development in line with these comparative advantages.

Rural development has been on the ILO's agenda since its establishment in 1919. The third session of the International Labour Conference (ILC) in 1921 laid out engagement in rural issues as part of the ILO's mandate. Since then, the ILO has adopted over 30 international labour standards that directly target agriculture and rural development, covering rights at work, employment opportunities, social protection and social dialogue. In 2008, the International Labour Conference discussion on rural employment, which culminated in the adoption of a Resolution and Conclusions on promoting rural employment for poverty reduction, set a mandate for renewed ILO involvement in rural development issues. Since then, the promotion of decent work in the rural economy has featured prominently in the ILO's agenda.

¹ UN-DESA: World Urbanization Prospects: The 2018 Revision, available at: <https://www.un.org/development/desa/publications/2018-revision-of-world-urbanization-prospects.html>

² ILO: World Employment and Social Outlook 2016: Transforming jobs to end poverty (Geneva, 2016), https://www.ilo.org/global/research/global-reports/weso/2016-transforming-jobs/WCMS_481534/lang-en/index.htm

ILO: Rural-urban labour statistics. Room Document 3, 20th International Conference of Labour Statisticians, Geneva, 10-19 October 2018), https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms_636038.pdf

³ ILO: Women and men in the informal economy: a statistical picture (third edition), (Geneva, 2018), available at: https://www.ilo.org/global/publications/books/WCMS_626831/lang-en/index.htm

⁴ ILO: Global estimates of child labour: Results and trends, 2012-2016 (Geneva, 2017), available at: https://www.ilo.org/global/publications/books/WCMS_575499/lang-en/index.htm

⁵ Global estimates of modern slavery: Forced labour and forced marriage (Geneva, 2017), available at: https://www.ilo.org/global/publications/books/WCMS_575479/lang-en/index.htm

⁶ ILO: Giving a voice to rural workers. General Survey concerning the right of association and rural workers' organizations instruments. Report III (Part 1B), International Labour Conference, 104th Session, 2015, ILC.104/III/1B. https://www.ilo.org/global/standards/WCMS_342386/lang-en/index.htm

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Target audience and purpose

This portfolio of policy guidance notes illustrates the ILO's holistic approach to promoting decent work in the rural economy and brings together the broad range of instruments and tools developed by the ILO over the past years. The goal of the policy guidance notes is to offer guidance to policy makers, social partners and development practitioners on ways to effectively address employment- and labour-related issues in the rural context. The portfolio encourages concrete action to ensure the inclusion decent work as a key feature in paving the way for social and economic advancement in rural areas. It should help to enable the ILO and its constituents to collaborate with countries in factoring decent work priorities into their rural development plans and policies.

The ILO's efforts to promote decent work for women and men in rural areas are numerous and diverse. The ILO combines a sound analytical base with standards and policies,

collaboration with other international institutions, and programmes of technical support to national, sectoral and local stakeholders to promote decent work in rural areas. Given the inter-related nature of the challenges faced by people in rural areas, this portfolio of policy guidance notes highlights the need for an integrated and long-term approach to enhance the impact, visibility and sustainability of interventions. In order for the ILO to be effective, it is paramount to build ILO interventions as part of a comprehensive national rural development strategy that promotes decent work.

As illustrated below, the overarching framework for this portfolio underlines the critical importance of pursuing an integrated approach for the promotion of decent work in the rural economy. Based on evidence and national circumstances, the ILO recommends strategies aimed at promoting sustainable rural livelihoods through decent work, which may include the following integrated and interrelated components:



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The 23 policy guidance notes in this portfolio are organized into six main sections, as follows:

1. Supporting inclusive agricultural growth for improved livelihoods and food security

With a large share of rural populations dependent on agriculture and the increasing demand for agricultural outputs, the agricultural sector has a central role to play in development. Agriculture is the second greatest source of employment worldwide after services, providing approximately 28 per cent of employment,⁷ and the most important sector for female employment in many countries, especially in Africa and Asia. Evidence suggests that agricultural growth that is led by growth in labour productivity is critical for poverty reduction. Higher agricultural productivity allows for increased food production, which is necessary to feed the world's growing population. Decent work can increase food availability by contributing to a sustainable increase in food production, and it can boost people's access to food through increased incomes. The policy guidance notes in this section focus on: (1) food security; and (2) decent and productive work in agriculture.

2. Promoting economic diversification and triggering productive transformation for rural employment

Building sustainable rural livelihoods requires focus on policies serving as a catalyst for a transition from the informal to the formal economy and from subsistence farming into higher value-added activities in manufacturing and services sectors. Economic diversification can be vital for moving towards enhanced sustainable rural livelihoods, provided

that the productive transformation is driven by increased productive capacity and by the development of capabilities through knowledge acquisition and other processes. An important opportunity for rural development lies in value chain development. In this regard, (multinational) enterprises that link the rural economy with the global economy through their supply chains deserve attention. Growth needs to be complemented by a social agenda to promote inclusive development as changes are introduced. The policy guidance notes in this section cover: (1) economic diversification; (2) supply chains; (3) the role of multinational enterprises; (4) transitioning from the rural informal economy to the formal economy and (5) sustainable tourism.

3. Promoting access to services, protection and employment-intensive investment

Most people living in rural areas of developing countries are not covered by any type of social protection. Providing social protection floors that guarantee a minimum level of income security in rural economies that are often vulnerable to external shocks is therefore essential. Where vulnerability to HIV and AIDS threatens the livelihoods of rural families and communities, the workplace has an important role to play in facilitating access to services. Quality services are essential for rural growth, and government investment programmes are needed to upgrade access to such services and to boost quality jobs. The considerable economic potential of rural areas can be unlocked through financial inclusion and employment-intensive investment in infrastructure such as schools, hospitals, water facilities, irrigation, electricity, roads and railways. The ILO offers a unique labour-oriented approach to promoting (1) services; (2) social protection; (3) financial inclusion, and (4) investment in infrastructure.

⁷ ILO: World Employment and Social Outlook: Trends 2019 (Geneva, 2019), available at: https://www.ilo.org/global/research/global-reports/weso/2019/WCMS_670542/lang-en/index.htm

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4. Ensuring sustainability and harnessing the benefits of natural resources

Rural development must not be achieved through unsustainable exploitation of natural resources or activities that negatively impact the environment. A just transition towards a sustainable rural economy is required for increased resilience and well-being of vulnerable rural communities. The ILO has a number of tools and instruments to support tripartite constituents in their efforts to improve the environmental sustainability of rural economies, as outlined in the policy guidance notes on (1) a just transition towards rural economy, (2) forestry, (3) extractive industries and (4) water. The latter three policy guidance notes further demonstrate how rural economies can benefit from the sustainable extraction of natural resources, which offer high potential growth opportunities that can spur rural development if the right policies and protections are in place. The rights and interests of local communities, including indigenous peoples, should be safeguarded.

5. Increasing the voice of rural people through organization and the promotion of rights, standards and social dialogue

The rural economy faces persistent challenges around the world – often related to decent work deficits – that hinder the adoption of a rights-based approach to development and the building of sustainable livelihoods. The majority of workers in the rural economy are not engaged in formal wage employment, but instead are in self-employment or unpaid family work, for example in subsistence farming. Because of vast differences in the nature of employment relationships and the remoteness of rural communities,

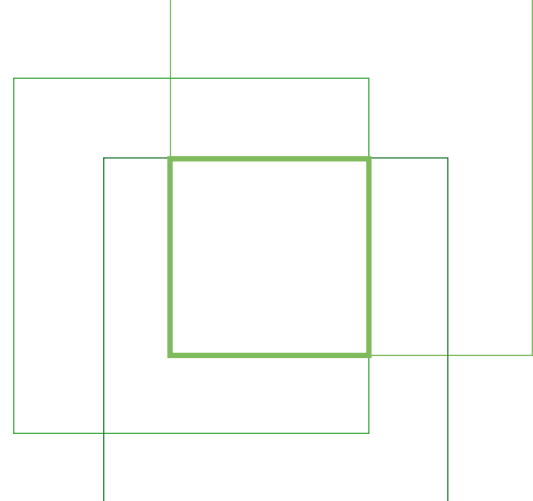
certain population groups and regions are often either not covered by labour legislation; or the applicable laws simply do not have any practical effect. The ILO addresses these challenges through its Decent Work Agenda, with a critical focus on rights at work and social dialogue. The policy guidance notes on (1) rights at work, (2) social dialogue, (3) cooperatives and other social and solidarity economy organizations, (4) indigenous and tribal peoples, (5) rural women's empowerment, (6) on rural youth, and (7) on labour migration introduce the range of ILO instruments and tools to promote dignity and to empower rural people to participate in decision-making processes.

6. Improving the knowledge base on decent work in the rural economy

Strong knowledge base gathered through evidence-based research on the measurement and monitoring of decent work is essential for informed policy-making. Employment-related statistical data, disaggregated by rural/urban areas, is critical to understanding decent work challenges in rural areas. The ILO works closely with national data producers and tripartite constituents to enhance this knowledge base, by offering technical assistance and advice, encouraging alignment of country practices and methods with international labour statistics standards and good practices, providing capacity building and sharing knowledge products. This work is described in a policy guidance note, entitled Enhancing the knowledge base to support the promotion of decent work in rural areas.

The annexes contain a list of ILO instruments and a mapping of ILO tools to promote decent work in the rural economy, as set out in the policy guidance notes.

Overview of Policy Guidance Notes on the Promotion of Decent Work in the Rural Economy



Supporting inclusive agricultural growth for improved livelihoods and food security

- Decent Work for Food Security and Resilient Rural Livelihoods
- Decent and Productive Work in Agriculture

Promoting economic diversification and triggering productive transformation for rural employment

- Economic Diversification of the Rural Economy
- Promoting Decent Work for Rural Workers at the Base of the Supply Chain
- The Role of Multinational Enterprises in the Promotion of Decent Work in Rural Areas
- Transitioning to Formality in the Rural Informal Economy
- Sustainable Tourism – A Catalyst for Inclusive Socio-economic Development and Poverty Reduction in Rural Areas

Promoting access to services, protection and employment-intensive investment

- Providing Access to Quality Services in the Rural Economy to Promote Growth and Social Development
- Extending Social Protection to the Rural Economy
- Developing the Rural Economy through Financial Inclusion: The Role of Access to Finance
- Employment-Intensive Investment in Rural Infrastructure for Economic Development, Social and Environmental Protection and Inclusive Growth

Ensuring sustainability and harnessing the benefits of natural resources

- A Just Transition towards a Resilient and Sustainable Rural Economy
- Decent Work in Forestry
- Harnessing the Potential of Extractive Industries
- Water for Improved Rural Livelihoods

Increasing the voice of rural people through organization and the promotion of rights, standards and social dialogue

- Rights at Work in the Rural Economy
- Promoting Social Dialogue in the Rural Economy
- Building Local Development in Rural Areas through Cooperatives and other Social and Solidarity Economy Enterprises and Organizations
- Decent Work for Indigenous and Tribal Peoples in the Rural Economy
- Empowering Women in the Rural Economy
- Decent Work for Rural Youth
- Promoting Fair and Effective Labour Migration Policies in Agriculture and Rural Areas

Improving the knowledge base on decent work in the rural economy

- Enhancing the Knowledge Base to Support the Promotion of Decent Work in Rural Areas

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