Forum on Operationalizing Participatory Ways of Applying Sustainable Livelihoods Approaches

PROCEEDINGS

A cooperative venture of the Department for International Development (DFID) of the United Kingdom, the Food and Agriculture Organization (FAO), the International Fund for Agriculture and Development (IFAD), the United Nations Development Programme (UNDP) and the World Food Programme (WFP)

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People who had a major role in organizing the SL Forum include Jennie Dey-Abbas, SLA Forum Project Manager; the Design Team members (Stephan Baas, Robin Marsh, Barbara Huddleston, Eve Crowley, Deborah Hines, Jan Johnson, Norman Messer, Berndt Seiffert, Katherine Warner, Patrizio Warren and Sonali Wickrema), the Substance Management Team (Vanda Altarelli, Alice Carloni and Alberta Mascaretti), the Web/E-Conference Facilitation Team (Marilee Kane, Norman Messer, Jan Johnson, Mariagrazia Quieti and Berndt Seiffert) and the Case Study and Theme Paper Review Team (Substance Managers plus Robin Marsh, Stephan Baas, Peter Matlon, Rathin Roy and Katherine Warner).

Case study authors included Karel Callens, Ian Cherrett, Martina Hanke, Peter Kulemeka, Alberta Mascaretti, Dil Peeling, Patrizio Warren and Sonali Wickrema. Mini-case study authors were Jock Campbell, Marilee Kane, Dil Peeling and Mattia Prayer-Galletti. Background theme papers were written by Jim Bingen, Diana Carney, Tim Frankenberger, Mary Hobley and Anne Thomson.

Rathin Roy was the overall Forum facilitator and prepared the Forum Proceedings in collaboration with FAO colleagues. Case study group facilitators included Doyle Baker, Jock Campbell, Tim Frankenberger, Cathy Gibbons, Dil Peeling, Sally Sontheimer, Philip Townsley and Katherine Warner. The Forum Administrator was Liliana Pustina. The DFID liaison team included Jane Clark, Tom Kelly and Sarah Holden.

Vanda Altarelli and Alice Carloni prepared the report on the Forum that appears as Annex 11, with contributions from Robin Marsh, Katherine Warner, Stephan Baas, Jane Clark, Rathin Roy, David Kingsbury, Ian Cherrett and Tim Robertson. The report was edited by Omar Sattaur. Philip Townsley provided special assistance with graphics and the layout was designed by Paul Hollingworth.

Chapter 1

Introduction

WHAT IS THIS DOCUMENT ABOUT AND WHOM IS IT MEANT FOR?

Every once in a while an idea emerges, opening a window and offering fresh, new ways of looking at things, linking them and understanding what makes them tick. Such ideas often bring together the best practices of the past with new configurations of thought, enabling people to overcome hurdles and offering them the promise of success. The sustainable livelihoods approach (SLA) is one such idea, emerging as an alternative poverty-reduction approach just as development agencies were debating the need for new ways of practising development to enable countries to move towards the international development target: halving the world's poor by the year 2015. SLAis made up of the best of past practice in participatory development and configured into a new framework and basic principles that together hold the promise of enabling more sustainable means of reducing poverty.

Another important step in SLA's journey from promise to reality was taken at an inter-agency meeting in Siena, Italy, on 7-11 March 2000. The Inter-Agency Forum on Operationalizing Participatory Ways of Applying Sustainable Livelihoods Approaches (SLA Forum) brought together experts from five agencies: the Department for International Development of the United Kingdom (DFID), the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD), the United Nations Development Programme (UNDP) and the World Food Programme (WFP). These agencies were expected to answer the following questions:

- Why use SLA? Does it have the potential to add value?
- How can SLA be made to work in the field, at different stages and at critical points in the project cycle?
- How can SLA be made a part of the way agencies'projects and programmes are designed and implemented?

This proceedings sets out to document the SLA Forum, as an aide-mémoire for those who participated in the Forum and to share the thinking and learning of the Forum with policy-makers, managers and development practitioners.

THE EVOLUTION OF AN IDEA

It is important to understand how such a forum came to be, the actors who made it happen, the aspirations, needs and concerns that gave it direction and the thinking and events that gave it its final shape. Figure 1 shows a timeline of milestones along the way to the Forum, which are described in the narrative below. In the fall of 1997, FAO's Rural Institutions and Participation Service (SDAR), while formulating a research programme on "rural household income strategies and linkages with the local institutional environment" (HH-LI) became familiar with UNDP's sustainable livelihoods programme (SLP) and began to explore several avenues for collaboration. The exploration led to dialogue, the exchange of visits, a teleconference among the groups in December 1997 and a decision to hold a technical meeting among the organizations.

At about the same time, SDAR and the Food Security and Agricultural Projects Analysis Service (ESAF) of FAO began discussing the possibility of cooperation between SDAR's HH-LI pilot research activity and ESAF's Special Programme on Food Security (SPFS) efforts. UNDP/SLPwas keen to work with SDAR on certain methodological issues and was interested in promoting SLAprinciples in FAO's field programme on food security. This convergence of interests resulted in the groups' coming together in Rome in April 1998 for a technical meeting to share information, consider the possibility of elaborating a common framework or vision statement out of the different approaches and agree on a strategy for the groups' continued collaboration.

The convergence around SLA

The outcome of the meeting in April 1998 generated two streams of thought and action. First, it became obvious that agencies were converging on a set of broad guiding principles, aimed at supporting sustainable livelihoods and food security, which included a

common goal of sustainable development, using participatory approaches, emphasizing macro-micro linkages, holistic understanding of livelihood constraints and being people-centred. While there remained differences on such issues as "entry points" and "target groups", there was sufficient convergence to plan future collaboration, including a follow-up workshop for further exposure to SLA and other participatory approaches and possible joint field projects.

The other important outcome of the meeting was a strongly felt need that FAO could and should capitalize on its experience with participatory approaches and methods, scattered among its various units, and use it more effectively to support and enhance the performance of its programmes and projects. SDAR and ESAF fuelled this thinking by proposing that their services be willing to facilitate the formation of an informal working group on participatory approaches and methods to provide an appropriate mechanism for nurturing creativity and innovation. Such a group, they felt, could relate formally to the FAO system while retaining informality and flexibility in its working arrangements. What finally emerged was the Informal Working Group on Participatory Approaches and Methods to Support Sustainable Livelihoods and Food Security (IWG-PA).

The first meeting of the proposed IWG was held in September and brought together staff from all across FAO, including members of the existing PRA network. To learn more about the work within FAO on various aspects of "participation", the group decided to convene a Participatory Methods Exchange Workshop, held in November 1998. What emerged from this workshop and subsequent brainstorming sessions was a detailed list of outputs and activities to meet the participation-related needs of FAO, and corresponding to four broad goals for the IWG-PA:

Goal 1: Carry out inventory, analysis and evaluation of FAO's experience. This should be done with participatory approaches and methods to identify best practices, needs for improvement and gaps in expertise.

Priority outputs envisaged are:

- comparative analyses of the costs and benefits of various participatory approaches;
- development of monitoring-and-evaluation indicators on participation for the FAO field programme.

Goal 2: Capitalize on FAO's best normative and field experiences. This should be done with participatory approaches and methods through sharing, adaptation, replication and dissemination, to enhance the FAO field programme.

Priority outputs envisaged are:

- an FAO interactive website on participation with an annotated inventory, help desk, roster of experts and relevant weblinks;
- case studies of concrete examples of participation in the FAO field programme.

Goal 3: Raise awareness and increase capacities within FAO. This should be done at all levels, to mainstream participatory approaches and methods into the organization's normative and field programme work.

A priority output envisaged is:

- increased awareness of and skills in participatory and sustainable livelihood approaches and methods among FAO staff members and government and civil-society partners implementing the FAO field programme, through decentralized capacity-building workshops and the use of practical guidelines.

Goal 4: Stimulate cross-fertilization with the international community. This should involve the exchange of state-of-the-art knowledge and experiences with participatory approaches and methods, via networking.

A priority output envisaged is:

- inter-agency technical consultation on participatory approaches to operationalize sustainable livelihoods, with FAO, IFAD, WFP and international partners.

To address these goals, IWG-PA members divided themselves into four "task groups" corresponding to the four goals: the Analysis & Evaluation Task Group (AETG), the Inventory & Dissemination Task Group (IDTG), the Capacity-Building Task Group (CBTG) and the Sustainable Livelihoods Task Group (SLTG).

GOING BEYOND FAO: REACHING OUT TO OTHER AGENCIES

During its first year, the IWG-PA set out to foster horizontal, cross-sectoral and multidisciplinary collaboration for sharing and learning within FAO and with outside partners, focusing on the nexus where participation, sustainable livelihoods and food security came together. The current IWG-PA consists of about 70 staff members from 22 different FAO units, including Community Forestry, Fisheries, Animal Production,

Extension, Nutrition, Farming Systems and the Investment Centre, as well as individuals from IFAD, WFP and UNDP. The IWG-PA enjoys formal recognition from management, including access to reasonable amounts of staff time and the possibility for obtaining non-staff resources. Membership, however, is entirely voluntary.

THE SLA FORUM: MOVING FROM INTENTION TO A CONCRETE PROJECT

The Informal Working Group on Participatory Approaches and Methods to Support Sustainable Livelihoods and Food Security is central to the SLA Forum and the way it was designed and implemented.

The cross-cutting nature of the IWG-PA's membership and its participatory style of functioning brought it to the notice of many within the Organization, including the permanent representation of the United Kingdom to FAO and DFID. DFID saw the possibility of using the IWG-PA as a vehicle for carrying forward a project that could help improve the impact of agency and donor interventions on poverty reduction through the review, refinement and incorporation of sustainable livelihoods-type approaches in those agencies'and donors' respective development project and programme interventions.

The goals of the IWG-PA, in particular the output planned by the SLTG, and DFID's interest in getting development agencies to consider sustainable livelihoods approaches, resulted in DFID's and FAO's beginning a dialogue in mid-1999. This dialogue resulted in a project that aimed at bringing together the experiences of the different agencies that had been developing and applying sustainable livelihoods-type approaches in their work, namely CARE, DFID, FAO, IFAD, UNDP and WFP.

DESIGNING THE PROCESS AND EVOLVING A STRATEGY FOR THE SLA FORUM

The design process of the SLA Forum began with the development of the Project Memorandum, a list of the problems and questions the Forum would address, which were drawn from the thinking of the IWG-PA, the SLTG and, more significantly, a stakeholder analysis of prospective participants from the five proposed cooperating agencies. The Project Memorandum proposed that the Forum adopt a practicum approach in which small groups of cross-sectoral, inter-agency teams reviewed case study material derived from projects/programmes that had adopted SLA or SL-type approaches. It was also proposed that the Forum avoid lengthy discussions on terminology, concepts and semantics. To pre-empt such discussions, the Project Memorandum suggested that an electronic discussion around a few review papers, commissioned specially for the Forum, be convened prior to the Forum, leading to a more level playing field in regard to an understanding of SLAs. The Project Memorandum was formally signed in September 1999, and the design and preparations began.

PARTICIPATORY DESIGN

An inter-agency team made up of volunteers from the SLTG formed the Forum Design Team (FDT), which took up the responsibility of designing and producing an analytical framework and structure for the Forum. Working closely with the FDT was a Substance Management Team (SMT) whose task was to select writers, commission case studies and review and prepare the papers for their use in the Web/E-Conference and the Forum. The Project Memorandum also made provisions for a Forum Facilitation Manager to be assigned the task of facilitating the preparatory process and the Forum itself.

After a process of participatory consultation by e-mail with prospective Forum participants (many from the IWG-PA), the FDT agreed that the Forum should aim to generate:

- improved understanding of and capacity to utilize SL-type approaches and participatory methods and tools in applying SLA;
- a clear synthesis of the relative merits of SLA for the design, implementation, monitoring and evaluation of projects/programmes;
- recommendations for operationalizing participatory ways of applying SL-type approaches within participating organizations, to be synthesized into an action plan in post-Forum IWG-PA activities.

Two types of case studies were considered to enable learning from actual field projects:

Major case studies. These would deal with projects that either had completed their project cycle and been terminated or were well advanced into implementation. Participants would discuss these cases and,

through comparative analysis, assess the utility and added value of using sustainable livelihoods approaches and methods in project diagnostics, design, implementation and monitoring.

Complementary, minor case studies. These would deal with on-line projects that would focus on particular policy issues or aspects of the project cycle, such as project design, mid-term evaluation, sectoral entry points and gender, leading to mid-course changes and retrofitting of projects to an SL approach. These would help the participants focus on critical issues and moments in the projects/programmes and complement the learning from the major case studies.

THE STRATEGY AS IT EMERGED

The strategy was that participants would work in small groups, mixed with agency and professional experience/expertise, to discuss one of the major case studies over a period of two plus days. Each group would be led by an experienced facilitator and assisted by a resource person with expert knowledge of that group's selected case study project/programme. The configuration of the case study groups was done prior to the Forum through a participatory prioritization exercise among participants. Case study groups were provided with a "strategy/case discussion note", which they could as a group modify, provided they ensured that the outputs of the discussion in terms of content and timing were synchronized with the other case study groups to facilitate joint reflection and learning in planned plenary sessions.

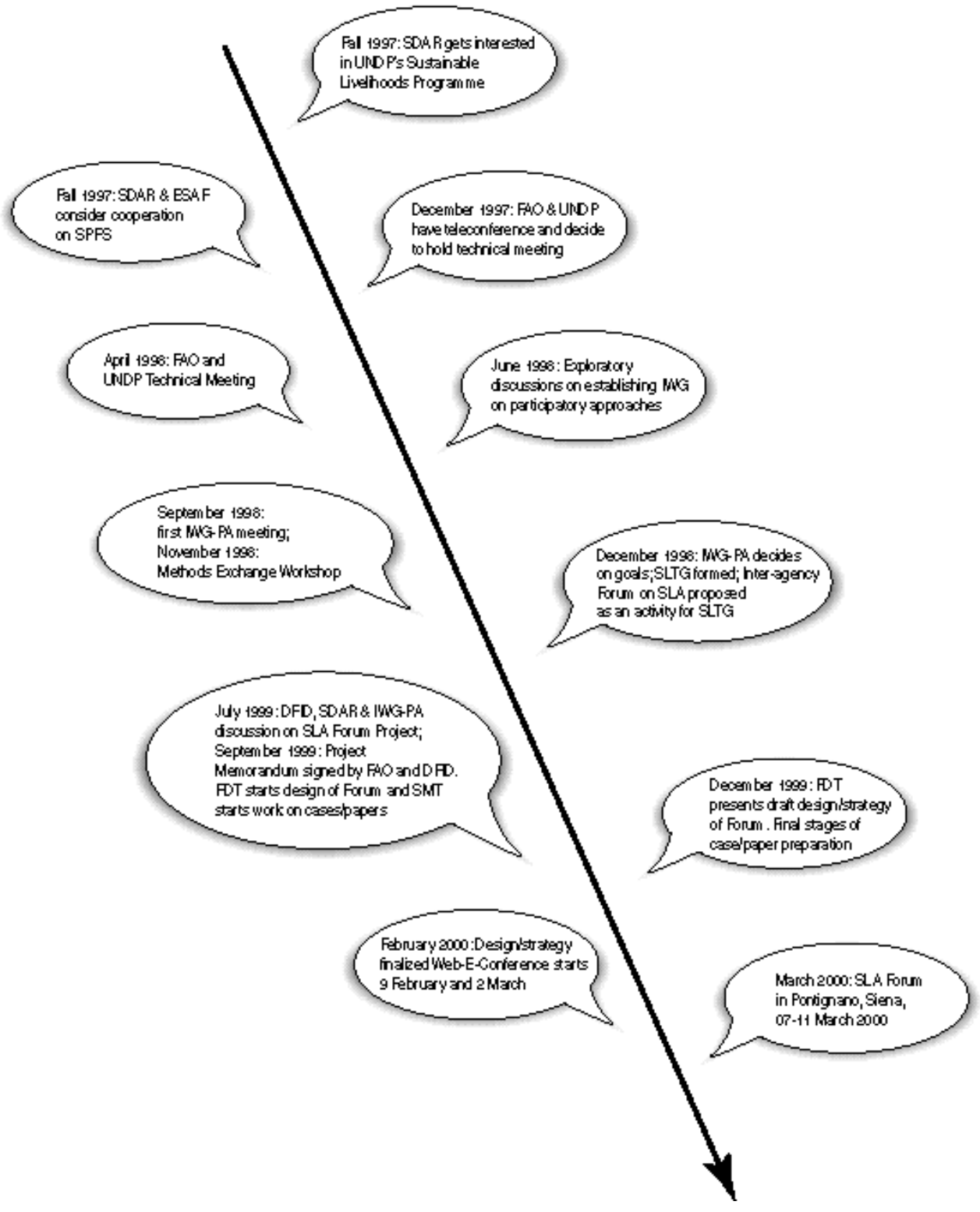
The broad terms of reference for each group were simple and direct:

- Understand the project as designed and then apply the SL framework to it and assess what might have changed if SL principles had been used.
- Analyse how the project evolved during the course of implementation and then apply SL principles and discuss what differences this might have made to implementation.
- Examine project outcomes and consider whether the application of SL approaches would have resulted in substantially different outcomes.
- Suggest ways of redesigning the project in light of SL approaches and identify what constraints would have been faced in implementing the redesigned project.
- Draw lessons regarding the value added, if any, by using SL approaches and flag any issues that need further clarification and thinking through.

The case study discussions would not only help the participants address a set of specific questions but would also create a platform for them to consider how SL approaches could be incorporated usefully into their agencies. To facilitate this leap in thinking, the FDT proposed commissioning a consultant to get the "internalization of SLAs" discussion going by preparing and presenting a paper on the topic. After this presentation, it was proposed that the participants break up into groups, by agency, to discuss agency-specific issues related to internalization and elaborate recommendations for follow-up. At the end of the Forum, a group of managers and senior professionals from the cooperating agencies were to meet to discuss and agree to follow up on actions within and among agencies. The idea was to think of the Forum as one step in a long journey and to build bridges to complete that journey, fuelled by whatever enthusiasm and momentum the Forum would provide.

By the end of December 1999 a first draft of the Forum's design and strategy was completed. In late January and early February, even as the Web/E-Conference was beginning, the final touches were added to the analytical framework and structure of the Forum, and a programme was created (see Annex 2). The basic strategy/design evolved into a case discussion note (see Annex 3), which was refined based on pilot testing with one of the case studies (Zambia), using volunteers from the IWG-PA and an experienced facilitator from FAO.

FIGURE 1:
Timeline of milestones leading up to the SLAForum in March 2000: from idea to reality



Chapter 2

Creating a level playing field: the Web/E-Conference

The web-based electronic conference (Web/E-Conference) preceding the inter-agency SLA Forum ran from 9 February until 2 March 2000. Participation was open to those interested in sustainable livelihoods approaches but who were unable to attend the SLA Forum, as well as to those who planned to participate in the Forum. The 338 Web/E-Conference participants came from a wide variety of backgrounds, development agencies and countries.

THE ORGANIZATION OF THE WEB/E-CONFERENCE

The Web/E-Conference was organized around four review papers (included in their entirety in Annex 4):

- "Livelihoods approaches compared: a brief comparison of the livelihoods approaches of the United Kingdom Department for International Development (DFID), CARE, Oxfam and the United Nations Development Programme (UNDP)", by Diana Carney with Michael Drinkwater, Tamara Rusinow, Koos Neefjes, Samir Wanmali and Naresh Singh;
- "Operationalizing household livelihood security: a holistic approach for addressing poverty and vulnerability", by Tim R. Frankenberger, Michael Drinkwater and Daniel Maxwell;
- "Sustainable livelihoods approaches at the policy level", by Anne M. Thomson;
- "Institutions and sustainable livelihoods", by James Bingen.

The Web/E-Conference was organized around a "bulletin board" structure, where each of the basic documents, opening questions, suggested threads and ensuing discussions was posted on the website in turn.

The Web/E-Conference began with brief introductory modules describing the background and purpose of the conference and providing participants with information on how to use the website, followed by the posting of DFID's "Guidance Sheets" on SL approaches as background documentation for the participants.

The basic, overarching questions posted by the conference team, aimed at stimulating thinking on the characteristics and underlying principles of SL approaches, were:

1. SLA: Another approach? What's wrong with the ones we have? What's new?
2. SLA: Are we talking about analysis or action?
3. SLA: Is it a means or an end?
4. I am a technical specialist. What can SL approaches do for me?
5. SLA: It looks great on paper. How do we get it to work in the field?
6. SLA: It could make a real difference. But how do we know it really works?

Other modules posed questions to stimulate discussion on each of the four review papers. Although each paper was discussed during its own time slot, discussions remained open to the end of the conference.

Moderators for each review paper occasionally guided the discussion either by commenting or by adding new threads, but for the most part, the discussion proceeded on its own.

WHAT WAS DISCUSSED AND WHERE DID IT LEAD?

In general, the Web/E-Conference encouraged a wide range of contributions, from more philosophical and political observations on paradigm shifts and the political economy of international relations and development to intense discussions of methods, which included participants' sharing with others concrete "operationalization" tools and literature.

The thrust of the discussions tended to place community-based development and natural resource management in the foreground as the "ruling economic and social organization" principle, making communities the central actors in development. Some interesting cross-cutting issues emerged, such as the means of monitoring and evaluating SL approaches, the need to develop suitable indicators for capturing livelihood outcomes and the differentiated impact of SL approaches.

In comparing SL approaches, there was agreement that there were no substantial differences among the approaches being used by the different agencies. However, the discussion dealt extensively with the differences between SL and traditional approaches. In

considering the holistic diagnostic/design approach of SLAs, it was felt that the DFID SL framework provided a road map for understanding a set of complex issues and problems related to sustainable livelihoods. What was not clear was whether new SL analytical skills helped solve the problems. There was discussion on how much analysis was sufficient and whether the need to be holistic could be equated with the need to "know everything". An important concern that emerged in the discussion was whether SL approaches really reached the poorest. No agreement was reached on this.

The discussion on operationalizing SL approaches focused on the need for multisectoral, decentralized planning, and how difficult this would be to implement. Some healthy scepticism was voiced about the value added by SL approaches in implementation, partly because to date there had been few concrete experiences with SL implementation from which one could learn. While acknowledging that SL approaches could provide an analytical framework and common language for understanding poverty, and thus provide a potentially effective means of focusing the policy-making process on the poor, the policy discussion emphasized that what needed to be addressed was not only the content of policy but the very process by which such policy was formulated. The discussion on institutions pointed out that the key to long-term institutional sustainability might well lie with the successful transformation of institutions and institutional interfaces, making them more "SL friendly". Other contributions pointed out that working through local institutions did not automatically lead to more equitable livelihood outcomes.

The discussions, rich and varied, to a reasonable degree did achieve the intended goal of establishing among the participants a broad understanding of terminology, definitions and concepts related to SL approaches, and they also set the stage for the discussions at the Forum by raising and sharply delineating issues. Amore detailed summary of the issues discussed in the Web/E-Conference is included in Annex 5.

THE TECHNOLOGY BEHIND THE WEB/E-CONFERENCE

A web-based conference facility was used for the Web/E-Conference. This was a pilot system developed by FAO (WAICENT) to which a number of modifications were made to improve functionality and user-friendliness. Once the participants logged on to the website using their individually assigned user names and passwords, they were able to move freely among themes and threads, open and read the background documents and review papers, add new threads of discussion and comment on any of the threads. Some participants found it quite difficult to use the website, so a parallel e-mail-based discussion facility was set up that enabled these participants to receive all the materials and contributions every day in consolidated e-mail messages and to respond by e-mail. Care was also taken to ensure that these participants'e-mailed comments were posted on the website under their names and that the materials fed into the web were in turn posted through e-mail. Thus the web- and e-mail-based discussions proceeded in parallel for almost the entire period, providing participants with user-friendly options and access.

A summary of the major lessons learned on the technical aspects of operating/managing a web-based electronic conference, which would be of considerable benefit to those planning to organize similar conferences, is included as Annex 6.

Chapter 3

The SLA Forum: Inauguration

JENNIE DEY-ABBAS OF FAO WELCOMES THE PARTICIPANTS

A three-hour bus journey brought the participants from Rome to the Certosa di Pontignano, a conference centre at the University of Siena, created out of a refurbished 1000-year-old monastery among the Chianti vineyards of Tuscany.

Jennie Dey-Abbas, Chief, SDAR, FAO and Manager of the SLAForum Project warmly welcomed the participants, pointing out how unusual it was for technical specialists to be able to take time off to spend a few days with their colleagues, reflecting on their work and evolving ways and means to give new directions to it. The Forum was also unusual, she noted, in that it had been designed, developed and organized in a participatory manner that brought all the stakeholders into the process. The IWG-PA and the SLA Forum, she suggested, are perhaps the forerunners of a new kind of participatory platform that can create spaces and nurture the coming together of disciplines, promote creativity and generate the innovations necessary to address problems (of development).

The questions facing the Forum on SLA – how do we make it work, does it add value and how do we make it a part of the way development is practised? – may seem simple, but their answers are complex, and as yet unknown; SLA as a formal framework is a relatively new idea with little concrete field experience to evaluate. This, Dey-Abbas emphasized, would require the participants to rely on their own experience, reflect on the case studies and bring the power of their combined expertise and synergy to come up with answers and give direction to the future.

Jennie Dey-Abbas thanked DFID for taking a gamble in supporting an experiment such as the SLAForum and emphasized that, for FAO, *sustainable livelihoods*, as an organizing principle and as a goal, was not just a buzzword but a firm commitment, an important part of FAO's Strategic Framework approved by its Member Nations during the 1999 FAO Conference. She hoped that the SLAForum would go beyond producing the traditional proceedings and actually begin a process in which development practitioners worked together to constructively change the way they practised development.

MICHAEL SCOTT OF DFID ADDRESSES THE FORUM

Michael Scott, who heads DFID's Rural Livelihoods Department, stated that DFID's investment in the SLA Forum was not in fact a gamble but a carefully considered move to achieve DFID's objectives, which were to share experience with others on SLA, learn from others' experience, and explore the scope of future work together. Scott briefly took the participants through the context within which DFID's policy and actions needed to be seen. DFID is committed to the international development targets of reducing by one half the people living in absolute poverty by 2015, and to do so the agency is committed to working in partnership with governments, development agencies, the private sector and civil society. The strategy DFID is evolving, including a strategy paper on economic well-being, states that at the core of any strategy for poverty reduction must be the promotion of sustainable livelihoods for the poor.

DFID, Michael Scott explained, has responded to the commitment by setting in motion consultations on the principles and analytical framework underpinning the concept of sustainable livelihoods; by operationalizing the approach through committing more than US$300 million to its development and application, and actively learning lessons from such efforts; and by establishing a Sustainable Livelihoods Support Office to facilitate the mainstreaming of SLA within DFID.

In conclusion, Scott expressed the hope that the SLA Forum would help DFID to identify gaps in an understanding of SLAand, most importantly, start the process of interagency cooperation to apply the approach in the field.

EXPECTATIONS AND ISSUES

The next step in the inaugural session was the first of the Forum's several participatory events and gave the participants an opportunity to express the expectations they had of the Forum and the issues they hoped would be addressed. Each participant wrote down his or her key expectations and issues on cards. These cards were prominently displayed in the corridor to remind everyone of what they had come to the Forum

expecting, to help them gauge where they were at any given time, to give direction to the Forum's evolution and to help participants reflect on what had or had not been achieved.

The more than 150 cards sometimes bluntly, often humorously, often sceptically portrayed the diverse thinking of the participants. Many of them described their expectation of the Forum as a way to learn: "about SLA, its strengths, weaknesses and potential"; to learn from others experiences ("How do we actually get it to work?"; "Can SLA give practical answers on how to improve livelihoods?"; "Does it really have value, can it help me to do things better?").

Others had come with doubts and were interested in overcoming or reinforcing their scepticism through dialogue and learning. They asked: "What's beneath the jargon?"; "What's new?"; "How is it really different from what we are already doing?". There was also concern that there wasn't "the flexibility in our organizations to apply what we learn at the Forum".

Some came looking for cooperation and to share. One card said, "Let us eliminate the competition for money and influence and work together". Others said, "I have come to share experiences and learn from others' experiences", "to develop networks for future strategising and partnership", "to evolve a common conceptual and methodological basis to promote inter-agency cooperation".

And then there were those who were "believers" in SLA but who wanted specific questions answered: "How do we monitor and assess the impact of SLA?"; "Does it really reach the poorest?"; "Does SLA (with its people-centred focus) take environmental/ecological sustainability into account?"; "How can development agencies work with people's organizations and civil society that are not supported or tolerated by governments?"; "How to operationalize holistic analysis into specific actions?"

A REFRESHER, A REMINDER AND A START: AN OVERVIEW OF SLA BY TIM FRANKENBERGER

The Web/E-Conference was held ahead of the Forum to create a level playing field. To refresh everyone's memory, the conference took advantage of the presence at the Forum of one of the leading practitioners of livelihood approaches, asking Timothy R. Frankenberger, Senior Food Security Adviser and Livelihood Security Coordinator of CARE International, to present the main concepts of and experience with SLA from the perspective of CARE. The complete text of his presentation is included in Annex 7.

Tim Frankenberger began by briefly going over the history and evolution of sustainable livelihoods approaches. Starting with the different ways of naming SLA, he warned of the danger of getting hung up on labels, which can create divisions. He noted that it was more important to understand what were the underlying principles governing these types of holistic approaches. He then briefly touched upon the principles of SLA, which include holistic diagnosis and analysis, application of participatory people-centred approaches, focused strategy, coherent information systems and reflective practice.

Issues in the application of SLA

Frankenberger highlighted a number of issues that have arisen in the application of SLA, which turned out to coincide with several of the principal cross-cutting issues that emerged from the case study discussions later at the Forum. Some of the issues raised were:

- Should SLA projects/programmes be single-sector-focused, multisector in scope or have a range of options to be applied depending on need and where the project is in the programme cycle?
- Although SLAmay be concerned about livelihood outcomes at the micro level of a particular target group, based on the problem analysis, it may have to plan interventions at both micro and macro levels and work with a broader group than the group originally targeted.
- Means of monitoring and measuring the impact of SLA projects/programmes need to be developed, and it is important to monitor and measure criteria relevant to communities as well as normative criteria.
- Changing structures and processes for sustainable outcomes will require capacity-building of local institutions to deliver service and manage risk. However, little experience exists on such capacity-building and in particular on creating indicators for measuring institutional improvement.
- SLA requires working with multiple partners at various levels, which is a different way of operating than working with local partners only and may require a different set of skills.
- It is important to take into consideration that natural resources management interventions that have public benefits do not always have direct benefits for the poor. In such cases, consideration must be given to opportunities for including components

Chapter 4

The Forum process and case study discussions

that address the livelihoods needs of the poor.

THE WAY IT WAS PLANNED

The core of the SLA Forum was the two plus days of case study group discussion, with the minor case studies presented and discussed in plenary sessions. Before the Forum, participants chose a case study, having received the full text of the case and the case study discussion strategy notes (see Annex 3). It was pointed out that the strategy notes were only suggestions and that groups and their facilitators were free to modify the process, provided they stuck to the outcomes and the broad time slots, which would enable cross-group discussions and sharing in plenary sessions.

The Forum adopted an experiential learning "practicum" approach. Sessions were organized around a series of case studies in order to focus discussion on concrete issues related to operationalizing SLAs. The analytical framework was fairly straightforward. Each group had to (1) understand the project described in their case study as designed, apply the SL framework and assess what might have changed if SL principles had been used; (2) analyse how the project evolved during the course of implementation, then apply SL principles and discuss what difference this might have made to implementation; (3) examine project outcomes and consider whether the application of SL approaches would have resulted in substantially different outcomes; (4) suggest ways of redesigning the project in the light of SL approaches and identify constraints likely to emerge in implementing the "redesigned" project; and (5) draw lessons regarding the value added by SLAs and flag any issues needing further clarification.

THE WAY IT ACTUALLY HAPPENED

The Forum took on a life of its own, driven by the participant's perceptions, expectations and priorities. The following paragraphs attempt to track the process as it unfolded.

The first day: diagnostics, design and the beginnings of a change in the process

The first day of discussions focused on understanding the project as designed. These discussions got off to a slow start. It took the participants some time to get to know one another, get comfortable and build momentum. Getting to know the projects, in spite of having read the summaries and the case material, proved a difficult task, and most groups resorted to questioning their resource persons in considerable detail. In hindsight, this should have been expected. Some of the projects had run for twenty years, and had gone through several reiterations. The resource persons added bits and pieces of the puzzle, enabling the picture to come together. As the day progressed there was concern that there might not be enough time to do justice to the objectives of the Forum. The organizers and facilitators were also becoming aware that some important cross-cutting issues were beginning to emerge from the case study discussions, and these would need time to be thought through.

In late afternoon of the first day, participants left their working groups to return to a plenary session on the first of the mini-case studies. During this session, Jock Campbell presented the experience of designing the DFID-supported FAO West Africa Artisanal Fisheries Project. This was the first SL project to be designed by FAO and DFID in the Fisheries sector. It promotes the introduction of the Code of Conduct for Responsible Fisheries in 25 countries.

Immediately after was the first plenary, where the different case groups had an opportunity to share their thoughts. In this plenary, participants decided that the after-dinner mini-case study presentations and discussions should be moved to the following day to allow for more informal interaction and discussion. Second, to save time, each group agreed to display the outcomes of each day on posters in order to let interested participants walking about in the evening see what each case group had been doing that day. This did not work well, so it was decided the next day that each group should make summary presentations on the day's learning.

In spite of the concerns about sagging learning

curves and long hours of discussion, participants continued freewheeling discussions and interactions well into the wee hours of the morning, fuelled by camaraderie and Chianti. It is important to point this out because the thought processes were no longer following a timetable, and it was necessary for the organizers and facilitators to ensure that the formal and informal parts came together into a seamless continuum.

The second day: an early wrapping-up of the case study discussions and the emergence of cross-cutting issues

The original intent was that on the second day, each group would think through the implementation phase of the project under study, discuss how SL approaches would have affected the process and attempt a redesign of all or part of the project using SLA. The following morning would be saved for covering issues of project/programme sustainability and institutionalization. However, as the morning's discussions progressed, it became clear that the cross-cutting issues were extremely important to the participants and that time would have to be made to provide opportunities to discuss them. The facilitator visited each case study group, polling them on how best to redo the programme. The groups agreed to wrap up the case study discussions by the evening of the second day in order to free up an entire morning to discuss the cross-cutting issues.

With the decision made, the case study groups accelerated their discussions, breaking just before lunch to hear short presentations of two mini-case studies. The first was on the DFID-supported DELIVERI project in Indonesia, presented by Dil Peeling, which highlighted how pilot experiences were used at the village level to enact policy changes within the national livestock services (see Annex 9 for a summary). In the other mini-case study, Marilee Kane highlighted how FAO's Participatory Upland Conservation and Development Project in Pakistan addressed gender issues.

The afternoon was spent wrapping up the case study discussions and preparing presentations for the evening plenary session. The summaries of the eight major case studies are presented in Annex 8, and their complete versions in electronic form can be accessed from any of the cooperating agencies' focal points. While the report "Interagency Experiences and Lessons from the Forum" in Annex 11 pulls together the main lessons of the case discussions, to do justice to the case studies, the latter section of this chapter briefly looks at each case study in terms of its process and main conclusions.

The plenary session at the end of the second day provided an opportunity for each case study group to make their presentations, followed by discussion. The session spilled over into the next morning. Toward the end of the second day, each group was asked to identify the key cross-cutting issues that had come up in their discussions, which were later clustered into eight top issues:

- What are the best entry points for SL approaches?
- Do SL approaches add value for *implementation*?
- If SL approaches help to understand the poor, do they also help reach them?
- Do SLapproaches always need a policy dimension?
- How much diagnosis and when?
- Are SL approaches culture bound?
- Can SL approaches work in authoritarian regimes?
- What do SL approaches imply for donor agencies?

SLAs and policy: supplementing the flow. After dinner, at a "voluntary" plenary session, Anne Thomson, a resource person and author of the Web/E-Conference review paper on SLAs and policy, made a short presentation and led a discussion on that topic. The overhead transparencies used in her presentation are included in Annex 10. The presentation emphasized that improving the policy-making process is as important as improving policy content. SL approaches have the potential to make the policy formulation process more bottom up, decentralized and pluralistic by empowering the poor to influence policy and by forging partnerships with actors outside government, such as the private sector, NGOs and civil-society organizations. A better understanding of the impact of policy on livelihood strategies and building a community's capacity to participate in the policy process both would lead to more relevant and improved policy. However, capacity-building for participation in the policy process at all levels needs more attention.

Policy is a political process, and the role of democratization and conflict-mediation is important. It may be necessary for the community and the project to form partnerships and coalitions with interest groups and the media in order to lobby and influence policy, increasing their leverage in the process. It was felt that a lot more thinking and research were needed to understand better the policy process and to identify critical points vulnerable to influence. Further, there was a need to look at what was different about policy impact on

livelihoods, as opposed to policy impact on, say, poverty or food security.

The third day: cross-cutting issues and shifting focus to consider internalization

The case study groups' presentations continued during the early morning plenary. Afterward, the participants signed up for new groups on eight cross-cutting issues and spent the rest of the morning in animated and sometimes heated discussions. The "issues" groups prepared to present their findings and recommendations the next morning, the last day of the Forum.

After lunch, the participants changed gears to address the issue of internalizing SLAs in their own agencies. If SLAs add value, then the ways and means of mainstreaming them into agencies and changing the way development is practised becomes extremely important. The discussion on internalization is therefore covered extensively in Chapter 5, with the focus here on the process.

Mary Hobley got the ball rolling with a short presentation of a paper-in-progress she had been commissioned to prepare on internalization. The presentation did not say how SLAs ought to be internalized. Rather it led the participants through a questioning of how organizations changed and what factors either promoted or hindered that change. Immediately after the presentation, the participants regrouped, this time by agency, to reflect on why and how their particular agencies could benefit from SLAs and what needed to be done to facilitate the internalization process.

Supplementing the flow: how do we deal with complexity? After dinner on Friday another "voluntary" plenary came together to ponder complexity theory and whether it could have lessons for SLAs. The discussion was primed by a short presentation by Naresh Singh (Sustainable Livelihoods Programme, UNDP). The overhead transparencies used in this presentation are included in Annex 10.

Singh's contention was that ecological as well as social systems were usually complex. Livelihoods are derived from the interface of these, and, therefore, sustainable livelihood systems are complex systems in that the range of interconnections between causes and effects are so numerous that it would be difficult (if not impossible) to predict a specific outcome from a particular intervention. In other words, sometimes targeting the poor for poverty reduction may result in the poor becoming poorer and the rich richer! So what can we do? Complexity theory suggests that instead of trying to deconstruct a social system as a way of selecting interventions, there is a need to stand back and try to deduce "rules" within the complexity of a given system. In practical terms this could involve studying a range of projects and trying to discern the "meta-rules" that govern success. Unfortunately, social systems do not lend themselves to being reduced to a few generic rules, since people are aware and capable of making choices.

What complexity theory supports is not the identification of a set of golden rules but a process that encourages the articulation of a set of rules peculiar to each different social organization. Recent applications of conflict management and consensus-building processes to livelihoods projects seem to suggest that these processes can provide pathways to the formulation of such rules, illuminating our understanding of both micro-micro and micro-macro linkages.

The fourth day: sharing of lessons on cross-cutting issues and agency reflections on internalization of SLAs

During the concluding morning of the Forum there were brief presentations from the previous day's group discussions, first on cross-cutting issues and "grey areas" needing further clarification, and second, on the recommendations of the agency groups on internalization of SLAs within their organizations.

The presentations of the nine cross-cutting issue groups generated a lively discussion, dealing as they did with unresolved and sometimes controversial issues. The presentations, included in Annex 8, are also dealt with in considerable detail in the report "Interagency Experiences and Lessons from the Forum" (Annex 11).

Consensus was achieved on several cross-cutting issues. It was agreed that although livelihood analysis needs to be multisectoral, initial entry points for projects can be sectoral and gradually widen into complementary sectors as needed. The value added at the implementation stage is not specific to SLA (with little concrete experience to evaluate in any case) but derives from the application of good practices associated with participatory- and systems-oriented approaches that have preceded SLA. All projects need to consider micro-macro policy linkages. Use of SL approaches upstream can add value, provided they are adequately grounded in micro-level experiences. A minimum of SL diagnosis is always needed, although overinvestment in initial diagnosis should be avoided by putting more reliance on sec-

ondary data coupled with monitoring of pilot activities. Nonetheless, several unresolved issues remain regarding (1) the type of entry points, (2) the leveraging of policy change, (3) the ability of SL approaches to reach the poorest, (4) the adaptability of SL concepts to French- and Spanish-speaking contexts and (5) perceived omissions or inadequacies in the DFID SL framework. There was substantial agreement on what the unresolved issues were but no consensus on the answers.

The presentations of the agencies' reflections on internalization followed, and here there was a lot of convergence and optimism. The reflections and specific recommendations of the agency groups are further elaborated in Chapter 5.

The formal work of the Forum ended with these two interesting plenary sessions. In her closing remarks, Jane Clark, head of DFID's Sustainable Livelihoods Support Office, thanked the participants for sharing and being open in the spirit of learning. She expressed her confidence that with the enthusiasm and momentum generated, the Forum would lead to concrete efforts not only in the work of the participants but also of their agencies.

GIVING DIRECTION TO THE FOLLOW-UP: THE POST-FORUM MEETING

To increase the likelihood of follow-up on recommendations, the organizers of the Forum invited managers and senior technical staff from the five cooperating agencies to sit down immediately after the Forum and make decisions on how the follow-up would go forward and who would be responsible for which aspects of the task. The meeting was short, but it generated some clear directives and goals statements (for the minutes of the gathering, see Annex 12). The outcome of the meeting is briefly summarized in Chapter 5.

Thus ended a memorable and unusual Forum, where many came together with different perceptions and expectations and left with a sense of direction, convergence and hope.

CASE STUDY DISCUSSIONS

Mongolia

The strength of the Mongolia case study was that, in comparison with the other cases, it contained the least number of elements that would be considered characteristic of SLapproaches. Instead it examined a rather conventional, well-designed project that was of measurable benefit to its target beneficiaries, therefore being an excellent vehicle for exploring "what if" questions to see what value could be added by applying different aspects of an SL approach.

The case study group work focused on diagnostics and design aspects, partly because the group were drawn to this and partly because they were concerned that in looking at implementation they would drift into the realm of speculation and guesswork, and because, after reading the case study, they immediately expected major differences in project design from applying an SLA. The differences were analysed by reworking through the project diagnostic and design process, including early stages of implementation, and comparing this original process with the hypothetical diagnostic and design phase of the project using SLAs.
The group conclusions and lessons were:

1. Some of the advantages of conventional project design are the opposite of the disadvantages of SLAs: conventional design is quicker, cheaper, more predictable, easier for donors and governments, easier to get approved and budgeted and more acceptable to recipient governments; it has less risk of failure; it perpetuates the old boy network; and it can be executed by traditional designers of projects without any need for special capabilities.
2. Other advantages of SLAs as compared with the conventional project design are that they produce process projects able to reach the poor better and respond to their needs; consider options longer and are possibly more sustainable; cater for shock survival measures and institutionalize risk management; may lead to more appropriate interventions; actively encourage partnerships; are demand driven and negotiated; lead to more informed decision making; are better at establishing macro-micro linkages; identify opportunities; institutionalize good development practice; require capacity-building.
3. The consensus in the group on whether SLAs add value was positive and the reasons for such an agreement were that SLAs:
   - give standing and visibility to the poorest to allow them to participate in the development process;
   - enable consensus among stakeholders with competing priorities;
   - make all players aware of the complexities of the environment in which development takes place;
   - link short- and long-term goals;

- link local, national and regional levels;
- link insiders and outsiders;
- link historical, social, natural resources culture to the local situation;
- use the very process of finding information to educate and build awareness among all stakeholders;
- perhaps create an environment in which development can take place;
- may make it possible to expect a higher success rate;
- recognize and take into consideration different priorities of donors, governments and communities.

4. The group also discussed two points of concern, which need more work to resolve and clarify. The Mongolia project narrowed its intervention options and agreed with the Government on livestock before the actual project design took place. An SLA-based design would have delayed decisions about options until the later stages. This, however, would have created uncertainty about where the project would lead and whether the final outcome would still fit the mandate of the implementing agency. Questions and considerations for "specific mandate agencies" are therefore:
   - Is it worth doing SLAs with them?
   - Will specific mandate agencies participate in an extended period of holistic design if the resulting interventions are beyond their mandate?
   - Specific mandate agencies will likely need to form new partnerships with other agencies in implementing SLAs.
   - The composition of any diagnostic/design team tends to determine the outcome of a design process. In the case of the Mongolia project, for instance, the livestock/economics bias in the original mission both reflected and enforced the original bias of the project idea. Can SLA design procedures overcome this type of bias? If so, how?

Zambia

The Zambia case study group began by evolving a working definition of SLA, which to them was a combination of a planning approach, a form of development cooperation and an empowerment process.

1. The Zambia project was already SLA-ish, in the sense that it had a holistic approach, being participatory and people centred. Therefore, in terms of the overall design and approach of the project, not much would have been different if the project had used an SLA approach. However, in thinking through the larger development context, the group concluded that SLA would have added value because:
   - The approach of the project was to analyse more from a perspective of problems and solutions. An SL approach instead recognizes and focuses on building on strengths and positive aspects rather than merely addressing needs. In doing so, it enables communities to recognize and define local resources, capital and capacity for them to use;
   - SLAs identify micro-macro linkages and provide the opportunity to work upwards and address institutional and policy aspects;
   - SLAs add particular value (by being holistic, responsive and flexible) where there is a rigid project framework, strong sectoral bias and the possibility of only a narrow range of interventions;
   - SLAs allow the redesign of interventions at any stage of a project.
2. In looking at the SL framework, the group expressed concern that "people" were not visible in the framework. They also pointed out that the framework did not encourage disaggregation of people in a community by age, gender and wealth in the diagnosis, so it was never quite clear to whose capital pentagon the framework referred. However, the group felt that the framework articulated the interlinkages well and helped in the understanding of complex contexts, which in turn would lead to more holistic design.
3. The group concluded by identifying three grey areas that needed more resolution and clarification:
   - Will donors, implementing agencies and governments allow and be able to cope with the "flexibility" required of an SLA? Would such flexibility be possible without decentralization and the empowerment of local institutions?
   - While SLAs generate a wide variety of opportunities and possible interventions through their more holistic diagnostics, they do not seem to help in prioritizing these opportunities and coming up with valid interventions.
   - The impact of SLAs and the question of methods to be used in their implementation are as yet unknown and need to be worked on.

Honduras

The Honduras case study group, in following and analysing a project that spanned a 12-year period, saw the project's evolution from basically a sectoral non-SLdesign to an increasingly SL-type implementation. The group, based on its discussions and reflection, provided guidance (which also emphasized the ways in which SLAs added value) and raised issues (which needed to be clarified and resolved) in each of three aspects they addressed: (1) operationalizing SLAs, (2) do SLAs add value? and (3) institutionalizing SLAs.

Guidance.

1. SLAs provide a useful framework for the continual process of learning and analysis throughout the life of a development intervention and this increases SLAs' capacity to react and adapt to new needs and changing conditions.
2. Within the SLA framework, sustainability should be looked at holistically, with economic, institutional, human, social, environmental and agro-ecological sustainability taken into account.
3. Participatory approaches are essential for operationalizing sustainable livelihood approaches.
4. Agencies involved in promoting and implementing SLAs are likely to have to adopt a dual role, as actors and stakeholders in the sector or area where they are working, and as facilitators of holistic development, building linkages and networks with other agencies.
5. SLAs can provide a common framework for different development agencies, greatly facilitating cooperation between them.
6. The use of SLAs encourages the design of open-ended, flexible development interventions. It also encourages longer-term planning in development because it forces agencies to focus on sustainability, transforming structures and processes (institutions, policies and processes) and capacity-building.
7. SLAs can lead to a better identification and understanding of poverty, and the development of diverse strategies to address it, although these strategies may not necessarily involve working directly or exclusively with the poor.
8. Decentralization is a necessary condition for creating effective linkages among institutions, communities and civil society and for properly institutionalizing SLAs.
9. Politics is a part of livelihoods and must be engaged.
10. Developing a coherent exit strategy for outside interventions is a fundamental element of SLAs.
11. To influence the policy environment and make it supportive of sustainable livelihoods, the feedback mechanisms from the grassroots need to be scaled up to reach policy- and decision-making levels of institutions and administrations. The impacts of policy need to be monitored so their effects on livelihood strategies can be understood.
12. Livelihood strategies are complex and diverse. Understanding them fully during a preliminary diagnosis would require long and expensive research. They are more easily and better understood through action research in the field. Therefore, SLAs are likely to depend on identifying limited entry points that allow work to commence, followed by dynamic analysis and learning through interaction with local people.

Issues.

1. How should an agency balance the distribution of resources within a project or programme between initial diagnosis work and the setting up of mechanisms for dynamic and iterative diagnosis during project implementation?
2. While the SL framework can make a significant contribution to development programmes, it is not a panacea:
   - It cannot contain everything, and it needs to be supported and complemented by other approaches and forms of analysis.
   - It can help to understand poverty and vulnerability but does not necessarily indicate how to address them.
   - It does not clearly define the relationship between household and community.
   - It will usually need to be made context specific (for example by modifying the various elements in the livelihoods "pentagon").
3. The discussion of SLA has been largely dominated by English-speaking development agencies. Greater efforts are needed to incorporate relevant experience from Latin America and French-speaking Africa.
4. SLAs have several implications for existing institutional cultures, including that the facilitating role of development institutions and agencies needs to be developed, that institutions and agencies need to

adapt to the longer timeframes required for building capacity in governance, and that they need to adopt more flexible planning approaches that can adapt to new developments in the field.

Bolivia

In considering the evolution of what was basically a watershed management project into a project that brought in participation, community development and local governance aspects, the Bolivia case study raised several issues and implications for SLA design, with particular focus on possibilities for redesign to bring in an explicit livelihoods approach and means to ensure sustainability beyond the project period. An overall conclusion was that natural resource management projects that have as their objective the public good, especially where direct benefits trickle down, need to be reconciled with private interests (e.g. what's in it for me?). In particular, natural resource and environmental management (NRM) projects may exclude vulnerable groups by focusing on land-based interventions. SLAs can help agencies think about alternative project components that respond to the specific needs of the poor.

The main issues and conclusions reached on the design of SLA projects/programmes.

1. The entry point of a project should not be predetermined but rather it should evolve from the participatory livelihood analysis (including stakeholder and gender analysis). The entry point can be sectoral and then widen to include other sectors as necessary.
2. A thorough understanding of social differentiation in access to assets needs to be undertaken early on in diagnostics in order to ensure effective targeting. A rights-based approach may need to be negotiated with the communities to ensure that the most marginalized and poorest groups benefit (as they may get left out of a process that focuses primarily on natural resource management).
3. In SLA, the choice of partners is crucial. While partnership with local-level institutions (particularly those that have been empowered through decentralization) is extremely important, care needs to be taken that agencies seek partners also at higher policy levels. Partnership with line ministries at the national level may be necessary for leveraging macro policy changes.
4. In difficult, non-supportive policy environments it may be necessary to create manoeuvring room, first by focusing on specific basic needs to build trust with the population and the government in order eventually to direct institutions and policy in a positive direction.
5. SLAs require a lot of orientation and training among partners carrying them out in the field, not only on the conceptual framework and the building blocks such as participatory rural appraisal (PRA).

The main issues and implications on the redesign of projects.

1. A longer timeframe is required for serious redesign using an SLA. If the original timeframe cannot be extended, then a realistic exit strategy or new project should be developed. This issue came up because at the time of redesign, the Bolivia project had just 18 months to finish.
2. Rather than "impose" a complete SLA on an existing project, it may be more acceptable to introduce different aspects of an SLAin a phased and reasonable manner, as needed.
3. It is vital carefully to orient and negotiate with partners to ensure that they buy into an SLA before venturing into project redesign.
4. In undertaking redesign, existing diagnostic information should be used as much as possible, with additional multidisciplinary analysis carried out only to fill in the gaps.
5. Problem analysis, goal-setting and prioritization should be carried out with the full participation of the communities, striving for adequate representation of the poor and women.
6. Screens, which help in the selection and sequencing of potential interventions/actions, should be used to identify those actions that do not meet:
   - community needs;
   - donor needs;
   - partner priorities;
   - institutional capacity;
   - pro-poor requirements;
   - natural resource conservation requirements.

The main issues relating to ensuring sustainability beyond the project period.

1. There is a need for a preparatory phase, prior to the end of the project, to build the capacity of partner agencies, local institutions and communities to take responsibility for project activities, adjust them as necessary over time and bring in new partners to address changing priorities.

2. An SLA project/programme needs a monitoring-and-evaluation system built in from the start to assess:
   - linkages with policy (e.g. is there an enabling environment for continuing positive policy and programme changes?);
   - institutional capacities of partners for service delivery/obtaining resources;
   - communities' capacities/empowerment to carry out functions and negotiate with external agencies.

Bangladesh

The Bangladesh case study described a project that set out to improve livelihoods through the use of farmer field schools. Using integrated pest management around the rice-fish-vegetable production system as an entry point, the field schools build social as well as human capital. The project was not designed using SLAs but, in practice, contained SLA aspects. In attempting to redesign the project using DFID's SLA framework, the group concluded that not all aspects of SLA were appropriate for this project.

The case study group came up with five major conclusions:

1. A minimum of diagnostics is needed at the beginning. The diagnostics should be participatory but make maximum use of secondary information. They should be interdisciplinary, identify potential partners and have a policy dimension. A short minimum diagnostic can identify an entry point and can then be supplemented by an iterative monitoring-and-evaluation system, which generates diagnostic information along the way. SLA diagnostics should give primacy to building the capacities of target groups in order to analyse their livelihoods and opportunities: "How people solve a problem is as important as knowing about the solution itself."

2. The entry point is not the end point. The criteria for selection of an entry point should be that it address a major livelihood constraint of the poor, be known to have proven and quick results and lead to community empowerment over the development process. The entry point sets out a provisional programme path, which should be refined through an ongoing diagnostic as the project evolves.

3. A flexible implementation strategy is essential for SLAs. The empowerment dimension of SLAs requires flexibility in implementation. The way to make projects flexible and accountable is to use a long-term programme approach with a sequence of discrete projects and by mainstreaming participatory M&E into the management information system.

4. A strong participatory monitoring-and-evaluation system must be linked to a dynamic and ongoing diagnostic, which is both quantitative and qualitative. The participatory M&E should begin at the design stage of the project, with stakeholders helping to select the indicators. By using participatory M&E "SLA can help facilate people's taking control over their development process". However, this requires greater transparency and accounting between donors (who want results) and agencies (who cannot control results).

5. Policy linkages should be an explicit objective of the programme, informed by insights and needs from the field and propelled by a multiplicity of tactical elements.

Mali

In discussing the 20-year experience of the Segou Village Development Fund project, the Mali case group went through several steps. First, members tried to understand the project as designed. Second, they documented how the project had evolved during implementation and they assessed project outcomes. After completing the analysis of all stages of the project cycle, the group went back and suggested how the project design might have changed if SL approaches had been used, and what value this might have added. The group then assessed what might have changed if SL approaches had been used during implementation, highlighting the risks as well as the value added, and assessed whether the adoption of SL approaches would have improved project outcomes and sustainability. Finally, it identified a series of perceived weaknesses in the SLframework and grey areas needing further clarification.

Diagnosis and design. Because the case study group had strong case resource people but was weak on SLA, the facilitator suggested a number of exercises

to familiarize group members with SL approaches. The main exercises undertaken were:

- *Context:* What was the policy and institutional context in which the project was designed? How did practitioners design projects in those days? What was missing and why?
- *What was the core problem that project planners were trying to address?* (Answer: neglect of food crop farmers in upland rainfed areas.)
- *Design sequence and issues:* What was the role of donors, borrowers and beneficiaries in project design? Who dominated and why? Was a participatory diagnostic done? If not, why not?
- *Start-up asset pentagon:* Using the DFID asset pentagon, rate the project area on natural, physical, financial, human and social capital. In the project planners' view, which types of capital were strong and which were weak? Compare the case group's assessment with that of project planners. How useful is the asset pentagon in this context?
- *Problem tree:* Starting with the core problem (above), what were project planners' implicit assumptions about the causes of the problem and the options for addressing it? What was the assumed chain of cause and effect between project outputs and livelihood outcomes?
- *Stakeholders:* Who were the stakeholders in the project and which of them were involved in project design?
- *SLA diagnosis and design checklist:* Which aspects of the SL principles and framework were embodied in the project design? Which were overlooked?
- *Items/aspects left out of design:* What was not there that (with hindsight) should have been addressed?
- *Benefits and risks of using SLA diagnosis and design:* If SL approaches had been adopted from the start, what would have changed? What would have improved? What additional risks might have been introduced with the use of SL approaches?

Project implementation and outcomes

- *Changes in context and structures:* What were the main changes in the policy and institutional context between Phase II and I and between Phase II and the new project? How did these changes affect the project?
- *Critical moments:* What crises did the project face during implementation and how did the project adapt? How did these crises contribute to iterative learning? If an SL approach had been adopted from the start, to what extent would the project have dealt better with these crises?
- *Implementation lessons learned:* What was learned, by whom and why?
- *Livelihood outcomes:* What was the impact on production, income, assets, human capital and the environment? To what extent is this impact attributable to the project? What was not affected by the project, even though (with hindsight) it should have been?
- *Reflections on differentiation of benefits/beneficiaries:* To what extent were benefits captured by élites? Did women, youth and the poor get a fair share of the benefits? Would the adoption of SL approaches have improved the distribution of benefits?
- *SLA redesign opportunities and obstacles:* If the project were to be redesigned using SL principles, what would change? What opportunities does the Mali case offer? What are the obstacles likely to have been encountered?

Issues needing further clarification

- *Asset pentagon:* It is difficult to collapse different aspects of the same type of capital on a single axis; regional and community infrastructure assets do not fit easily on the same axis with household assets. Different strata of the population have different asset endowments. How do we rate natural capital when land is abundant but quality is poor? How can we rate human capital when health and literacy are low but labour is abundant? On what basis are we comparing assets – national or international standards?
- *Building on strengths:* Whose view of strengths counts? What should be done when there are divergent views on strengths and weaknesses?
- *Outcomes:* How to clarify what outcome to work for? Whose outcomes count – the poor's or the non-poor's? Who makes this choice?
- *Multisectoral, sectoral or non-sectoral:* Is a project more people driven if it is non-sectoral or fully multisectoral?
- *Livelihood strategies:* How does one identify and understand livelihood strategies? What should the balance be between asking people and inference/observation?
- *Supply push versus demand-driven:* Is there still a place for supply-led models in SLAs?
- *Growth versus vulnerability:* Focusing on growth

and not addressing risk and vulnerability implies dealing with different target groups. Does the target group of SLA (the poorest) mean that SLA projects can have only certain types of objectives?
- *Stratification and differentiation:* What are the implications of stratification and differentiation for SLAs?

Ethiopia

The Ethiopia case study concerned a project that has evolved over 20 years from a technically oriented soil and water conservation project with a strong humanitarian component to a project that has incorporated participatory approaches and is moving towards community empowerment. The project was designed in 1980 based on a diagnosis limited to technical aspects of land degradation with little socio-economic analysis.

Any value added to the diagnosis? The Ethiopia case study group, in reconsidering the project through an SLA lens, found that, yes, the project would have benefited had it had a more complex and deeper understanding of:
- *Famine and food insecurity:* Rather than soil/land degradation, the role of policy, access to productive assets (land, labour, oxen), and gender would have been important factors in the original problem diagnosis.
- *Soil degradation causes and trends*: These would have been more critically analysed, with greater emphasis on trends and local solutions.
- *Society's coping mechanisms:* This would have been so especially in adjustment to shocks and the effects of distress migration.
- *Institutional contexts and macro-micro linkages:* This includes the relationship between the political context and coping strategies, impact of forced villagization and changes in tenure.
- *Production systems:* This includes the implications of mass mobilization, time and labour constraints and the utilization of local knowledge.

All of these would have enabled a better, more holistic design of the project.

Some of the important issues that emerged from the group's analysis concerned the limitations of applying SLAs beyond the diagnosis stage when the country was being governed by an authoritarian regime. In such a political environment, the constraints on transforming institutions and policies are so large that whether there should be an intervention (or not) can be questioned.

Implementation. The group felt that by incorporating SLAprinciples, the project would have:
- been smaller and more diversified;
- been more quality oriented;
- been more involved in policy;
- had closer monitoring from WFP and an increased field presence;
- looked for opportunities for consultation with beneficiaries and the Government;
- networked extensively, both internally and externally;
- shared information and learned with other agencies.

The group noted that although there had not been an SLA earlier in the project, the project did change and evolve. There were critical moments in which the project took advantage of the changing political context to become more responsive and participatory in its approach.

It was agreed that if the project were to be redesigned or retrofitted based on SL there would be a questioning of the basic assumption that land degradation was the main cause of food insecurity. The process of re-diagnosis of the causes of food insecurity should include the different stakeholders (government staff, project staff, development committees, community members, etc.).

The expected outcome of the diagnosis would be a clearer understanding of the main causes of food insecurity (for different livelihood typologies), taking into account the role of policies, markets, tenure, population pressure, land degradation, etc. and the relative importance of and linkages between these causal factors. With a better understanding of the causes, then possible entry points and sequencing of interventions could be determined.

The group concluded by raising several important issues relating to SLAthat it felt required further clarification:
- It is critical for projects to understand macro-micro linkages.
- It is important to undertake not only rigorous diagnosis but also regular re-diagnosis to give direction to the project.
- Can SLAs be implemented in an authoritarian/ coercive regime?
- SLAs seem to provide considerable value in diagnosis but do they add value also to practical imple-

mentation?
- The transforming structures and policy (TSP) box in the SL framework is poorly understood, and agencies lack the tools and skills for analysis, to identify how to influence policy, to identify effective activities and to monitor change.
- There is a need to establish processes that can constructively engage and manage conflicts and competing interests in SLA and, in particular, mechanisms to accommodate the "losers" in the process.

Malawi

The Malawi case study concerned UNDP's involvement with the first programme to institutionalize SLAs within the government system, in which FAO was given responsibility to design the food security component (group members included a New York-based UNDP officer, the national programme officer and a member of the FAO team). The Malawi case study group reviewed the Malawi case study and offered a diversity of ideas and experiences from other projects. The group looked at design and implementation of SLAs in Malawi and elsewhere and tried to learn lessons from this. DFID's experience with incorporating SL was shared and discussed with the group. In so doing, the group were conscious of the three objectives of the workshop:

1. How do we get SLAs to work in the field?
2. How do we make SLAs a part of the way we do things in our organizations?
3. Why use SLAs? Do they have the potential to add value?

How do we get SLAs to work in the field?
- Design should be an ongoing iterative process closely linked to implementation, which is likely to lessen risk and improve accuracy of design.
- Design should learn from and build on local knowledge, experience and secondary information to ensure appropriation by stakeholders, improve design and save time and cost.
- There is always a need to carry out a holistic analysis, but this might lead to a more specific intervention.
- The application of SLAat higher levels (e.g. at the country strategy paper level), such as addressing policy issues in particular, could provide bigger benefits.
- Entry points can be anywhere in the framework, and the one selected should maximize impact on poverty and reflect the comparative advantage of the agency, its potential partners and the resources available.
- Indicators used in identifying changes in outcomes as a result of SLAs ideally should be selected and prioritized with the involvement of both the poor and local institutions.
- Partners selected must reflect the constituency of the poor or have their backing.
- It is important to develop a vision of change.
- The national level does not influence only what is happening at the community level; global (and in particular subregional) influences also play a role, and these need to be considered.
- Policy reviews to inform SLAs should deal with policy content *and* policy process.
- Policy-makers must buy into SLA processes if they are to be sustainable.
- Within SLA, decision-making needs to be more consultative, accountable and transparent.
- It is important to link government objectives with community aspirations.
- Decentralization or moving decision-making and finance closer to the poor could be an important strategy.
- Some changes may require legislation to ensure their sustainability.

How do we make SLAa part of the way we do things in our organizations?
- Understand the organization's change process.
- Have change-oriented people driving the process.
- Introduce incentives for change.
- Introduce skills, attitudes and knowledge.
- Change management style.
- Point out that the cost to an organization of changing may be high but in some cases the cost of staying the same (e.g. in terms of survival) may be even higher.
- Enable organizations to change their values.
- Develop a critical mass of support.

Why use SLAs. Do they have the potential to add value?
- SLAs can improve the quality of entry points. Taking a holistic approach to design can reveal entry points that more conventional approaches may miss.
- SLAs can improve the relevance of interventions. SLAs can be more accurate in the way they design

interventions and thus improve their effectiveness.
- SLAs can improve the relevance of partners. By not being restricted to a single-sector entry point, SLAs open up opportunities for a range of partners.
- They may change perceptions of hierarchies. Hierarchies are often a reflection of where we stand and how we view relationships. If this changes, the hierarchies may also appear to change, providing new insights into relationships between stakeholders.
- Using SLAs further upstream may add even more value.
- SLAs shift the focus from resources to people. SLAs are people focused and this encourages agencies to place their interests and needs at the centre of the development agenda.

Issues that need further clarification
- Existing structures and processes of donors and governments strongly affect intervention design.
- Local capacity to implement SLAs can be low.
- SLAs are not panaceas that replaces all things before them.
- Single-sector entry points may be easier in some ways but may limit effectiveness through institutional problems.
- How far down do we go with participatory approaches? Is there a minimum level at which we need to work? Do we need to go to the household or community level? How will this affect our understanding?
- Are there differences in approaches for urban and rural areas? Much of the work to date has been done in rural areas. Will approaches that address the needs of the poor in urban areas need to change substantially and how?
- Sometimes the relationship between cause and effect is not well understood at the community level. In some cases, development workers may not share villagers' perceptions of problems and their causes, and as a consequence it may be difficult to agree on a course of action for addressing constraints on development.
- Sometimes the gap between communities and their nearest level of government are extremely large.
- There may be vested interests that obstruct change.
- The cost of change in terms of new skills, attitude and knowledge may be too high.
- Some organizations may have to undergo substantial structural change, and this may involve unacceptable levels of disruption and cost.
- Sometimes the costs and benefits of using SLAs are difficult to assess, and this may result in projects that are expensive with few benefits, or those that are unsustainable.
- Regarding the last point, SL should not automati-

Chapter 5

Internalizing SLA: Agency reflections and the managers' meeting

cally imply heavy investment in terms of technical expertise. In general, many of the points mentioned reflect Sarah Holden's opinions, which were not shared by all.

On Friday afternoon there was a shift in focus to one of the major questions the Forum had set out to address: that of internalizing SLA in the participants' organizations. To help participants think through the issues involved and identify problems that may have needed to be resolved if SL-type approaches were to become the way agencies went about the practice of development, Mary Hobley, an independent consultant, made a presentation, drawing on her paper-in-progress, "Transformation of organizations for poverty eradication: the implications of sustainable livelihood approaches".

Rather than prescribe a set of steps for internalizing SLAs, Hobley chose to pose questions, asking the participants to reflect on the way organizations changed and what factors promoted or obstructed that change. The full application of the guiding principles of SLA cannot be achieved merely by tinkering with existing structures. Such an application has internal structural and systemic implications, implying major changes in the way development agencies do their business. If agencies are to embrace adoption of SL principles, and expect their field partners to do likewise, they need to adjust their management styles and cultures, as well as their structures, systems and skills mix, in favour of a more flexible, adaptable, open-ended, process-oriented, client-driven mode of doing business. This will entail more emphasis on process monitoring and iterative learning-by-doing, with ample beneficiary participation in goal-setting, implementation and impact evaluation. Agencies will also need to adjust their structures and staffing in favour of interdisciplinarity, long-term but dynamic relationships, new partnerships and new skills.

Why would an agency want to adopt SLA? What external or internal forces are likely to bring about this type of change? The impetus for change could be a change of policy (in DFID's case, the White Paper issued by the Labour Government), a paradigm shift or perhaps a reassessment of the effectiveness of existing approaches in achieving agency objectives. At what level do the forces of change come into play

and who drives them? How does one go about building acceptance and understanding of SL-type approaches in agencies?

Hobley concluded by highlighting some elements that contributed to change: a sense of urgency; forming a powerful change team; creating and communicating a vision; developing systems that empowered the staff; planning for and creating wins and successes in the short term, and consolidating learning about institutionalizing change.

AGENCY REFLECTIONS ON INTERNALIZATION

The participants, this time grouped by agency, spent most of the afternoon discussing how they would go about promoting the internalization of SLA in their organizations. If a consensus emerged, it was that existing requirements for project or programme approval across the agencies were at present too rigid and would need to be changed in order to take on board flexible, demand-driven approaches. Each agency came up with ideas, strategies and even action plans for moving forward (see Annex 9). Internalization is discussed in further detail in the concluding section of Annex 11.

Summaries of the agency presentations made on Saturday morning

DFID. DFID was extremely frank about the challenges it faces, which include a shortage of practitioners with appropriate SLA skills and, more serious, the fact that different groups within the agency still have competing concepts and approaches, which inhibits the use of SLA. The participants from this agency also raised the issue of administrators who reacted differently (than their technical colleagues) to SLA and its "complexity". DFID recognized that systems and procedures did not change rapidly, but it was committed to engaging all levels of its organization in the debate. It sought the help of other partner agencies, convinced that United Nations agencies were crucial allies in bringing about institutional change for more effective achievement of the international development goals.

FAO. FAO has reasons to internalize SLA since its Strategic Framework 2000-2015, approved at the 1999 FAO Conference, includes supporting sustainable livelihoods as one of its primary strategies for reducing poverty and food insecurity. The FAO group, realizing that there were several stakeholders within FAO with differing needs, proposed a multilevel strategy, such as including SLA initiatives (particularly interdepartmental ones) in the Medium-term Plan; engaging senior management in dialogue; strengthening linkages among headquarters, regional and country-level personnel; further developing existing initiatives to carry out SLA (e.g. the West Africa fisheries project with DFID); improving awareness of SLA through creating information, communication and learning opportunities; and actively developing partnerships within and outside FAO to implement pilot SLA efforts at the country level.

IFAD. For IFAD, the SLA Forum provided learning and reinforcement on some things it already knew and had begun to practise. These included the need for systematic understanding of vulnerability and assets as a basis for project design, flexible people-centred entry points, institutional and policy diagnosis, responsive and functional monitoring and flexibility throughout the project cycle. Several windows of opportunity exist for internalizing SLA within IFAD. Both IFAD's current re-engineering and its three-year Consultation Action Plan recognize the need for change and call for a number of actions in keeping with SL approaches. The IFAD group recognized the importance of partnerships for tapping the experience of agencies such as DFID, working with FAO and WFP on participatory diagnostic methods and vulnerability assessment, and accessing the field and training capacities of CARE.

UNDP. For UNDP, the reflection on internalization provided an opportunity to consider the ways in which the process could be refined and accelerated and how the different units within UNDP could be brought into the process. Some of the ideas that emerged were for UNDP to undertake a critical assessment of its sustainable livelihoods programme based on external evaluation; build awareness by producing a document synthesizing the achievements and potential of SLA; sensitize its Administrator by encouraging high-level contact with agencies already committed to SLA, such as DFID; produce a series of papers on the policy and institutional dimensions of SLA in collaboration with other partners; and establish an informal network to brainstorm on SLA and policy.

WFP. The WFP group, realizing that their agency had already introduced many of the key elements of SLA in its ongoing process of organizational change (while

consciously avoiding the introduction of new labels), focused on areas that needed further work. These included promoting the use of assets as the common unit of accountability and feedback in M&E; incorporating better feedback into project management systems; and selecting project activities by target groups driven by livelihood systems diagnosis rather than by the pressures of existing institutional relations. WFP's priority concern is to incorporate lessons learned into future activity design and management, developing the concept of "minimum information sets" based on livelihood elements, advocating policy change through UNDAF, adapting SLapproaches to recovery and rehabilitation work, and applying SLAto food aid and development policy implementation activities.

With the brief presentations of each agency's reflections, it became amply clear that there was considerable commitment to the SL guiding principles across agencies, and that the groups had thought through in general terms what needed to be done to mainstream SLAinto the respective agencies. To take the process forward, a follow-up meeting was held immediately after the Forum, bringing together the managers and senior staff of the five agencies to think through actions, cooperation and responsibilities and

to map where they would go from there.

WHERE DO WE GO FROM HERE?

At the follow-up meeting, there was a strong consensus that the Forum had succeeded in generating a better understanding of the guiding principles of SLA and that the reflections on the SL framework in particular had helped identify a number of gaps and grey areas. It was felt that these gaps could be addressed best through collaborative partnerships among the cooperating agencies. There was a sense of urgency in the groups'wanting to move forward and not lose the energy, enthusiasm and momentum that had been built while preparing for the Forum and during the Forum itself.

The detailed minutes of the follow-up meeting are included as Annex 12. The meeting resulted in three kinds of outcomes. First, agencies reiterated commitments already made and planned to discuss them further in meetings of the IWG-PA and of the Rome-based agencies.

Second, some new commitments were made, with the participants fully recognizing that these would have to be ratified by their respective agencies after internal consultation and reflection. These commitments included plans for building awareness of SLA among senior managers; efforts to develop more flexible programming frameworks and processes that supported SL-type projects; the development of inter-agency pilot projects to introduce and demonstrate SL-type approaches at the country level; the establishment of an inter-agency task force for developing culturally appropriate ways of applying SLAconcepts and principles in different languages; and actively seeking the involvement of all participating agencies in continuing the work of the IWG-PA.

Third, some agreements were reached to facilitate the follow-up process, which included developing a joint training programme for professionals involved in SL-type work; establishing a common roster of consultants with expertise and experience in SLA; and assigning contact focal points in each of the cooperating agencies for the coordination of the follow-up.

Chapter 6

Evaluation

THE QUESTIONNAIRE

The SLA Forum was evaluated with the use of a questionnaire (Annex 13), sent by e-mail to all participants immediately after the Forum. Of the 71 participants polled, 25 (35.21 percent) responded. The questionnaire included four open-ended questions and 23 scaled questions. The results of compiling the responses to the scaled questions are included in tabular form in Annex 13. The open-ended questions were concerned with the ways in which the Forum benefited the participants, what the participants thought were the strengths and weaknesses of the Forum, whether they wanted a follow up to the Forum and, if so, of what nature.

Meeting expectations and the benefits of the Forum

Fifty-two percent of the respondents felt that the Forum had met their expectations "very well" and 28 percent went further and said, "exceptionally well". In what ways did they benefit? There were basically two kinds of responses to this query. The first set of replies focused on what was learned about SLA, the opportunities and the directions such learning provided for future work, the experience of synergy (of minds), the excitement of the emerging convergence of thoughts and reaping the benefits of networking. The second set of replies referred to the actual processes in the Forum and how they made a difference.

The learning began with a better understanding of SLA, which "opened the mind to a range of perspectives and possible applications of SLA". Forty-eight percent of the respondents felt that the Forum had contributed "very well" to their learning about SLAs, while 28 percent rated their learning as "exceptional". Respondents said that the Forum had given them the opportunity to "reflect on current development approaches and to measure these against SLA", which not only reinforced the confidence they had in their own best practices but showed ways of overcoming weaknesses in existing practices. Such reflection also revealed the implications of mainstreaming SLA in organizations with a wide range of mandates and working cultures.

The impact of the Forum on the participants'views of SLA can best be judged when considered with the

level of initial scepticism about the relevance of SLA. Forty-four percent of the respondents came to the Forum with very high levels of scepticism and almost an equal percentage ranked their scepticism "fairly sceptical" to "sceptical" – all in all an extremely doubting group. In the end, 68 percent of the respondents felt that the Forum had had a very positive impact on their view of SLA.

The coming together of people from different agencies and disciplines and the high level of synergy was exciting and satisfying in and of itself, but it also showed, the participants felt, that "a convergence was emerging from the variety of approaches amongst the various agencies", which was very positive. The Forum experience helped to "create contacts, excellent links and a common base of understanding with colleagues in other agencies", paving the way for cooperation in the future.

The Forum process also as a benefit

Some participants said that the most beneficial thing about the Forum was the process itself. Most respondents, hinting perhaps at the paucity of opportunities in most agencies for people of different disciplines to have the time and space to meet and reflect on their work together, felt that the "free and frank expression of opinions", "the intense interaction with like-minded people leading to iterative and reflective thinking", and "the right combination of participation, healthy scepticism, critical thinking, positive energy and a sense of fun" was a reward in itself.

Strengths and weaknesses

The open-ended question, "what in your opinion were the strengths and weaknesses of the SLA Forum's design, organization and implementation", along with the scaled responses of questions 3.2 to 3.20, generated a lot of interesting views and insights, which would prove useful to organizers of similar events.

A question of place and time

Clearly the participants liked the venue of the Forum. Seventy-six percent thought it "exceptional" and 16 percent thought it "very good". The venue was not only beautiful and peaceful but also far removed from the day-to-day realities of most participants, giving them the sense of freedom and space that nurtures discourse. Duration was another matter. When one sets out on a Tuesday afternoon and returns on Saturday evening, you essentially write off the week. Was it too long? Was it too short? Fifty-two percent felt it was just right in length, with almost equal numbers feeling it was either too short or too long. The open-ended question brought out a wide variety of thoughts on the Forum's duration: "too little time for discussing the crosscutting issues"; "I was sceptical about spending two whole days on a case study, however, I was wrong because it was time well spent and it was an excellent way to approach the task"; "too much was stuffed into the four days, especially on mini-case study presentations, which while being informative and entertaining were not really useful"; and "poor time management".

Participants

Sixty percent of the respondents rated the quality of participation as "very high", with 20 percent pushing that rating up to "exceptional" and another 20 percent indicating "just good". Some participants saw the diversity of disciplines and levels of experience with SLA as a weakness (because it was difficult to move the sceptics and newcomers forward), whereas others saw it as a strength (because not knowing sometimes empowered them to ask questions and challenge strongly held beliefs that even made "believers" revisit their assumptions). A few respondents felt that having more representatives from agencies with SLA experience among the participants could have strengthened the discussion at the Forum.

Design, strategy and methods

Participants felt that the Forum was well designed and implemented, particularly given the large number of participants and the complexity of the ideas under discussion. Several participants complimented the spirit both of the organizers and of the participants in terms of their receptivity and openness. The high degree of energy and motivation of the participants made for rich discussions that spilled over into free time and had participants talking animatedly and socializing often into the wee hours of the morning. The participatory nature of the Forum, where participants could adjust the schedule and content depending on need, provided a flexibility and freedom that added to the spirit and intensity of the discussions and empowered the participants to meet their expectations. However, a few participants complained that the Forum lacked discipline, as in its failure to stick to its original programme, and felt that occasionally it was difficult to decide where participation ended and anarchy took over, but even these participants said that (luckily) in

the end everything turned out fine.

People came to the Forum with a wide range of expectations, and some participants felt that the purpose of the Forum could have been sharper and clearer. A few complained that while the discussion was rich and intense, a lot was lost because the thoughts, findings and recommendations were not adequately documented and distributed as the meeting progressed. A few criticized the Forum for spending too much time discussing diagnostics and design (in which quite some experience has been built up in SLA) and too little time dealing with important areas such as implementation and sustainability (in part due to the lack of experience). Many felt that the Policies, Institutions and Processes box in the DFID SL framework remained a "black box" to the end with little illumination from the Forum. There were some who felt that the Forum had focused too much on particular agency frameworks and had not looked enough at historical, cultural and linguistic antecedents outside the anglophone tradition. The responses to questions 3.7 to 3.20 (Annex 13) provide an indication of the respondents' feelings about the materials that were distributed and used at the Forum.

Two contributions from respondents perhaps best describe the main strengths of the Forum's design, strategy and implementation: "the mutually reinforcing sequence of sessions, each one building on the outputs of the earlier sessions with a high degree of flexibility to respond to emerging consensus and participants' needs", and "the immense amount of work that had gone into preparations and the provision of facilitators and resource people, which increased the participants' ability to concentrate on ideas and be creative".

Where do we go from here? The need for follow-up

There was a near consensus on the need for follow-up to the Forum. While supporting and emphasizing the need for the individual cooperating agencies to take forward their own agendas as spelled out at the Forum, the respondents felt that inter-agency fora, especially the more informal ones like the IWG-PA, would be the ideal vehicles for moving forward the development and evolution of SLA.

A wide variety of suggestions were made as to the type of follow-up necessary. These include:

- addressing the need to adapt SLAs to French- and Spanish-speaking contexts;

- widespread networking through e-mail in order to share literature, experiences, manuals of best practice and perhaps even an SLA newsletter;
- more research and learning-by-doing in the unresolved "grey areas" identified at the Forum;
- systematic updating and documentation of SLA best practices;
- developing indicators and tools for M&E, impact assessment and auditing of SLAs;
- learning-by-doing through projects as experiments (country-level, multiagency pilot efforts to learn how best to do SLA and better understand the micro-macro linkages through transformation of policy and institutions);
- meetings to evolve flexible project design and implementation approaches;
- follow-up activities at the field level in countries to ensure that in-country partners get exposed to concepts and buy into SLAs;
- selling SLAs to senior managers and policy-makers;
- selling SLAs to regional-, country- and project-level agency staff through awareness-building, training and support;
- following up on a couple of projects studied at the Forum (Bangladesh, Honduras and Bolivia) to evolve them towards SLAs, which would create a living laboratory;
- holding a second Forum (Pontignano II) a year from now to find out where we have gone as a consequence of the first Forum and what needs to be done to go forward.

The evaluation was extremely positive, while providing enough constructive critical feedback to make the organizers ponder how they could have avoided the odd problem or done things better. As one participant put it, "Even though there were some problems, and there always are, I cannot remember participating in a workshop where preparations and arrangements had been so well thought out". Another said, "Participating in the meeting was a very pleasant activity: the organization, the venue, the people, the general atmosphere, the wine, everything contributed to create just the right environment to work and we did work hard".

Annex 1

List of participants

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* Managers meeting only

Annex 2

SLA Forum programme

INTER-AGENCY FORUM ON OPERATIONALIZING PARTICIPATORY WAYS OF APPLYING SUSTAINABLE LIVELIHOODS APPROACHES (SLA FORUM)
Siena, Italy, 7-11 March 2000

PROGRAMME

Tuesday, 7 March 2000

17.30
Inaugural session
19.00
Welcome address, by Jennie Dey-Abbas, FAO
Address by Michael Scott, DFID
Getting to know each other
Participants' expectations and issues
Briefing on Forum strategy, by Rathin Roy, Forum Facilitator
An introduction to sustainable livelihoods approaches, by Tim Frankenberger, CARE

Wednesday, 8 March 2000

08.30
Session 1 (case groups)
Introduction to the project
10.00
Coffee break
10.30
Session 2 (case groups)
Understanding the diagnostic/design process of the project
13.00
Lunch
14.30
Session 3 (case groups)
16.30
Comparing the project's diagnostic/design process with that of SLA
16.30
Coffee break
17.00
Plenary session
18.00
Presentation on DFID-supported FAO West Africa Artisanal Fisheries Project, by Jock Campbell
18.00
Plenary session
19.00
Consolidation and sharing of the day's learning
20.00
Dinner

Thursday, 9 March 2000

08.30
Session 1 (case groups)
Understanding the implementation process of the project
11.30
Coffee break
12.00
Session 2 (plenary)
Importance of transforming structures & processes to a project's success: presentation of mini-case study on DFID-supported DELIVERI project, by Dil Peeling
Natural resources management & gender in the context of SLA, presentation of mini-case study on FAO's PUCD project in Pakistan, by Marilee Kane
13.00
Lunch
14.30
Session 3 (case groups)
17.30
Operationalizing SLAin the implementation process & institutionalization and sustainability
17.30
Coffee break
18.00
Session 4 (plenary session)
Pulling it all together: presentations of main learning of case groups, presentations by case study groups (identification and listing of cross-cutting issues arising from discussions by case groups)
20.00
Dinner
21.30
Plenary session
Policy and SLA, a short presentation by Anne Thomson, followed by discussion
Parallel group meetings on cross-cultural issues and SLA

Friday, 10 March 2000

08.15

Plenary session

Pulling it all together: presentation of main learning of case groups, presentations by case study groups (continued)

Formation of groups to discuss cross-cutting issues

10.00

Session 1 (issues groups)

Discussion of cross-cutting issues

10.30

Coffee break

11.00

Session 2 (issues groups)

Discussion of cross-cutting issues

13.00

Lunch

14.30

Session 4 plenary

Some thoughts on internalization of SLA, presentation by Mary Hobley, followed by discussion

15.30

Coffee break

16.00

Session 5
(discussion in groups organized by agency)

19.30

Thinking through change

20.00

Dinner

21.30

Plenary session

SLA in the context of complexity theory, a short presentation by Naresh Singh, followed by discussion.

Saturday, 11 March 2000

08.30

Plenary session

Sharing of lessons learned by the groups discussing cross-cutting issues, presentations by issues groups

Sharing of lessons learned on internalization of SLA, presentations by agency groups

11.00

Closing remarks by Jane Clark, DFID

11.30

Coffee break

12.00

Meeting of managers of cooperating agencies

13.00

Lunch

Annex 3

Case study strategy/discussion notes

The case strategy/discussion notes presented in this annex were made available to all the participants of the SLA Forum to help facilitate their case study discussions. The notes were intended to give direction to the discussions, however, the discussion groups were given the freedom to choose their own strategies, provided they agreed to abide by the outcomes and schedules offered in the notes to ensure synchronization of discussion among the groups and sharing of learning.

Day 1 — 8 March 2000

LEARNING OBJECTIVES

Diagnostic & design	Guiding questions	Expected outcomes	Facilitation methods	Backup documents
Session 1:Introduction to the project				
08.30-10.00 Case groups				
1. Get to know each other 2. Get a broad overview of the project	• What were the context and the core problem that the project had to address? • Who were the stakeholders of the project? Why were they selected? • What was the main strategy adopted by the project?	• A common understanding of the project's elements	• Ice-breaking exercise • Brief case presentation by case writer or group member • Brainstorming & discussion • Using a storyboard of the project to visualize the flow	• Case materials
Session 2:Understanding the diagnostic/design process of the project				
10.30-13.00 Case groups				
3. The diagnostic/design process of the project	• How were the problems diagnosed in the project? • How was the project designed to address the problems? • What were the problems raised in the diagnosis that the project chose not to address in the design? Why?	• Poster: diagram of project's diagnostic/design process • Poster listing problems diagnosed that were not addressed in the design, with reasons	• Reflection on project's problem analysis using problem tree • Visualization of diagnostic/design process as schematic diagram (for later comparison with SLA) • Brainstorming & discussion • Drawing pre-project "capital pentagon"	• Case materials
Session 3: Comparing the project's diagnostic/design process with that of SLA				
14.30-16.30 Case groups				
4. Similarities and differences of the project's approach and SL approaches to diagnostic/design process 5. Potential benefits of SLA in diagnostic/design process of projects	• How similar was the project diagnostic/design process to an SLA diagnostic/design process? • Did the project in its diagnostic/design stage adopt/utilize SLA? Analyse. • Would an SLA improve diagnostic/design outcomes?	• Poster comparing characteristics of project with checklist based on SLA principles • Poster listing potential benefits and risks of using SLA for diagnostic/design process	• Compare project characteristics with checklist based on SLA principles and rank the project on a scale (ranging from SLA to not-SLA) • Comparison of the diagnostic/design process frame work schematics • Brainstorming	• Case materials • SLAGuidanceSheets • SLA framework schematic project's SLA • Checklist of SLA principles
Session 4:Understanding the process of diagnosis/design in an SLA project				
17.00-18.00 Plenary				
6. Diagnostic/design process of an SLA project: an example			• PowerPoint presentation on DFID-supported FAO West Africa Artisanal Fisheries Project, by Jock Campbell, followed by discussion	
Session 5: Consolidation and sharing of the day's learning				
18.00-19.00 Plenary				
7. Consolidation of the learning of the day			• Walk-about in poster session and comparing and discussing outcomes of the case study groups	
Session 6: Gender issues,natural resources management & microcredit in the context of SLA				
21.30-22.00 Parallel session 1 in plenary				
8. Institutionalization in the context of natural resources management and gender issues			• Presentation of mini-case study on FAO's PUCD Project in Pakistan, by Marilee Kane, followed by discussion in plenary	• Case materials
21.30-22.00 Parallel session 2 in plenary				
9. Institutionalization in the context of microcredit for the poor			• Presentation of mini-case study on IFAD's P4K Project in Indonesia, by Mattia Prayer, followed by discussion in plenary	• Case materials

Day 2 — 9 March 2000

LEARNING OBJECTIVES

Diagnostic & design	Guiding questions	Expected outcomes	Facilitation methods	Backup documents
Session 1:Introduction to the project				
08.15 Plenary session **Reporting team present summary of learning/issues from previous day**				
Session 1:Understanding the implementation process of the project				
08.45-10.30 Case groups				
1.Broad overview of how the project was implemented and the critical issues and moments along the way 2.The strengths and weaknesses of the project's implementation process 3.Where there opportunities to apply SLA in the project's implementation? Could these have added value?	• Which are the moments along the process of implementation that required a major decision and a change of strategy or tactic? • What were the strengths and weaknesses of the project either overall or at selected moments? • How would an SLA have made a difference by anticipating problems and voiding problems, in the a first place, through design?	• Poster: checklist of the types of problems during implementation that may have been better addressed by an SLA and how an SLA would have addressed them	• Reflection on the time-line of the project and discussion to identify critical moments • Analysis of project implementation or of selected critical moments • Brainstorming & discussion • Draw end project "capital pentagon"	• Case study materials • SLA Guidance Sheets •T. Frankenberger review paper
Session 2:The importance of "transforming structures and processes"to a project's success				
11.00-13.00 Plenary				
4.The importance and potential usefulness of SLA's transforming structures and processes (TSP) to a project 5.Application of SLA in projects with sectoral entry points	• How can a project be structured better to address institutional and policy concerns? • How can a project with a sectoral entry point address factors that affect the sustainability of the sectoral objectives?		• Presentation of mini-case study on the DELIVERI project, Indonesia, by Dil Peeling • Panel discussion on holistic approaches vs. sectoral entry points	• Case materials • SLA Guidance Sheets
Session 3: Operationalizing SLA in the implementation process				
14.30-17.30 Case groups				
6. Ways and means of making SLA work in the field 7. Potential benefits of using SLA in the implementation process of projects 8.Obstacles that the project may face in applying SLA	• Given the understanding of the process and performance of the project, what are the opportunities to redesign the project (or selected phases of it) using SLA? • How would you actually make SLA work in field conditions? • What are some of the obstacles the project may face if it applied SLA? • Would an SLA improve implementation outcomes?	• Poster: checklist of opportunities for and obstacles in applying SLA in the implementation process • Poster with recommendations for operationalizing SLA in the field	• Group undertakes a "virtual" redesign and strategy development exercise of the project (or selected parts of it) using an SLA • Brainstorming & discussion on how to make an SLA work in the field and what are the obstacles it may face	• Case materials • SLA Guidance Sheets
Session 4:Consolidation and sharing of the day's learning				
18.00-19.00 Plenary or post-dinner session 21.30-22.30				
9.Consolidation of learning from the day 10. The implementation process in the context of SLA	• What does an SLA implementation strategy look like, as compared with a conventional approach? Elaborate		• Walk-about and free discussion in poster session, followed by discussion in plenary on the key learning objectives of the day	

Day 3 — 10 March 2000

LEARNING OBJECTIVES

Sustainability & internalization	Guiding questions	Expected outcomes	Facilitation methods	Backup documents
08.15 Plenary session **Reporting team present summary of learning/issues from previous day**				
Session 1:Institutionalization and sustainability				
08.45-10.30 Case groups				
1.Steps taken by the project to ensure the sustainability of its efforts beyond the project period 2.Opportunities SLAs could have provided to better ensure the sustainability of the project beyond the project period	• How did the project go about institutionalizing its approaches, processes and activities? • What were the key institutions and organizations that could have assisted in ensuring sustainability but that were left out of the process? • What are the strengths and weaknesses of the project's strategy for sustainability? • Does SLA provide opportunities for better ensuring institutionalization?	• Poster listing what SLA can add to ensure institutionalization of the project and its outcomes	• Brainstorming & discussion • Venn diagrams • Livelibelts	• Case materials • SLAGuidanceSheets
Session 2:Sharing of the learning on institutionalization and sustainability				
10.30-11.30 Plenary				
3.Consolidation of learning on institutionalization and sustainability	• Do SLAs provide opportunities for better ensuring institutionalization? How?		• Walk-about and free discussion in poster session	
Session 3:Pulling it all together				
11.30-13.00 Case groups				
4.Consolidation and summary of main learnings of the case groups during 8-10 March		• Posters listing main learning of group over three days	• Brainstorming • Reflection on outcomes of previous days	• Group work outcomes • Summary posters
Session 4:Changing the way development is practised:thoughts on internalisation				
14.30-15.30 Plenary				
5.How organizations change their ways of working in development			• Changing the way development is practised:some thoughts on the internalization of SLA, presented by Mary Hobley, followed by discussion in plenary	
Session 5:Thinking through change – discussion in new group formations (by agency)				
16.30-18.00 Agency groups				
6.The opportunities each of us has to promote SLAs in our work 7.Implications of using SLAs on agencies and their way of functioning	• What can you do to promote the use of SLAs in your work? • What are the collective opportunities in your agencies for the promotion of SLAs? • What would an agency need to do to use SLAs more widely in its efforts?	• Back-home plans • Step-wise strategy for creation of an enabling environment in agencies for SLA	• Brainstorming & discussion	
Session 6: Sharing of lessons learned on internalization				
18.30-19.30 Plenary				
8. Lessons learned by agency groups on internalization shared among all participants			• Walk-about in poster session • Panel discussion (by representatives of agency groups)	

Annex 4

Theme papers discussed in the Web/E-Conference

Livelihoods approaches compared

A BRIEF COMPARISON OF THE LIVELIHOODS APPROACHES OF THE UNITED KINGDOM FOR INTERNATIONAL DEVELOPMENT (DFID), CARE, OXFAM AND THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

Diana Carney with Michael Drinkwater and Tamara Rusinow (CARE), Koos Neefjes (Oxfam) and Samir Wanmali and Naresh Singh (UNDP)

INTRODUCTION AND PURPOSE

The aim of this brief review is to clarify understanding of the fundamental principles behind the livelihoods approaches of four different agencies: the United Kingdom Department for International Development (DFID), Cooperative for Assistance and Relief (CARE), Oxford Committee for Famine Relief (Oxfam) and the United Nations Development Programme (UNDP). It is hoped that this will facilitate discussion and learning as well as promote in-country partnerships on livelihoods work. The fact that there is some variation in emphasis among the agencies does not mean they cannot work together; overall, their similarities far outweigh their differences. Nevertheless, it is useful to be aware of where differences occur so they can be accommodated. This review should elucidate the application of various livelihoods approaches and the direction in which these might move in the future. This is important since livelihoods approaches are evolving in all the agencies that currently employ them.

The review covers the approaches only of CARE, DFID, Oxfam and UNDP, but it is hoped that this list of agencies will be expanded, as there are several other organizations (donors, domestic government agencies and civil-society organizations) that espouse some or all of the principles underlying sustainable development (SL) approaches (whether or not they use the SL language). It is also hoped that this review can be updated as the four agencies covered gain more operational experience with implementing livelihoods approaches.

The common thread uniting all the agencies is that all four link their ideas back to the early 1990s work of Chambers & Conway, and most adopt Chambers & Conway's definition of livelihoods (or a slight variant). This definition holds that:

> "a livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the long and short term."
>
> (R. Chambers & G. Conway, 1992, Sustainable rural livelihoods: practical concepts for the 21st century. IDS Discussion Paper No. 296. Brighton, IDS, p. 7-8)

Although all four agencies had their own reasons for beginning to explore new ways of operating (see the individual sections below), it should be noted that the early 1990s was a period of intense questioning of the nature and value of overseas development assistance. Recognition of the limited achievements of four decades of development aid was coupled with new thinking about the role of the State in development and the meaning and nature of poverty. Socio-economic issues began to figure much more prominently in people's understanding both of the nature of poverty and of the processes of poverty reduction.

CARE'S LIVELIHOODS APPROACH

CARE's organizational mandate is to focus its programmes on helping the poorest and most vulnerable. The livelihoods approach (N.B. not explicitly a sustainable livelihoods approach) is its primary programming framework, in use in its relief and development work. CARE sees this framework as an effective way of improving intersectoral coordination and thus increasing the impact of its work. The approach is deemed sufficiently comprehensive for facing the challenge of large-scale poverty and yet sufficiently flexible for addressing context-specific constraints.

CARE adopted the livelihoods approach in 1994. Much of the impetus for this shift came from the food security side of the organization, informed by

Amartya Sen's work on entitlements. CARE began to move from a concern for regional and national food security to a consideration of household and individual food security issues. At the household level the concern shifted from "food first" or food production to a wider focus on the ability of households to secure the food that they required. This then led to a widening of the scope and recognition that food was just one of the range of factors that determined poor people's decisions. Thus the evolution of the concepts and issues related to household food and nutritional security led to the development of the concept of household livelihood security and then, more broadly, to livelihoods.

Core emphasis and definitions

CARE uses the Chambers & Conway definition of livelihoods. From this it identifies three fundamental attributes of livelihoods:

- the possession of human capabilities (such as education, skills, health and psychological orientation);
- access to tangible and intangible assets;
- the existence of economic activities.

The interaction among these attributes defines what livelihood strategy a household will pursue.

CARE's emphasis is on household livelihood security linked to basic needs. Its view is that a livelihoods approach can effectively incorporate a basic needs and a rights-based approach. The emphasis on rights provides an additional analytical lens, as do stakeholder and policy analysis, for example. When holistic analysis is conducted, needs and rights both can be incorporated as subjects for analysis. This focus on the household does not mean that the household is the only unit of analysis, nor does it mean that all CARE's interventions must take place at the household level. The various perspectives brought to livelihoods analysis contribute to the generation of a range of strategic choices that are reviewed more fully during detailed project design.

Types of activity

CARE has used its livelihoods approach both in rural and in urban contexts. It identifies three not mutually exclusive categories of livelihood activity appropriate at different points in the relief-development spectrum. These are:

Livelihood promotion (improving the resilience of households). These include programmes that focus on savings and credit, crop diversification and marketing, reproductive health, institutional development, personal empowerment and community involvement in service delivery activities). Most livelihood promotion activities are longer-term development projects that increasingly involve participatory methodologies and an empowerment philosophy.

Livelihood protection (helping prevent a decline in household livelihood security). These include programmes that focus on early warning systems, cash or food for work, seeds and tools, health education and flood prevention.

Livelihood provisioning. This includes directly providing food, water, shelter and other essentials, most often in emergency situations.

These activity categories are non-exclusive. A good livelihood promotion strategy is one that has a "protection" element, which deals with existing areas of vulnerability and helps ensure that any improvements in livelihood security are protected from re-erosion. The aim is that elements of "protection" and "promotion" be built in as early as possible to "traditional relief" (provisioning) activities. For instance, institutions established to help with relief activities are set up in a participatory way. Over time, capacity-building training is provided so that the same structures can be used to plan and initiate livelihood promotion activities.

Cutting across these categories of livelihood support activity are CARE's three focus areas of activity:

- *personal empowerment:* interventions that focus on expanding human capacity and hence the overall resource (asset) and income base of the poor;
- *social empowerment:* interventions such as education, community mobilization and political advocacy;
- *service delivery:* expanding access to basic services for the poor.

The transition from livelihood protection to livelihood promotion and CARE's cross-cutting focus areas are illustrated in Box 1.

Compared with DFID, CARE places less emphasis in its framework and approach on structures, processes and macro-micro links. This is not to say that it ignores institutional/organizational factors, but as an NGO it is less involved in the micro-macro issues that are a key feature of agencies such as DFID and UNDP. In the organizational realm, CARE's work has been largely

BOX 1

Transition from livelihood protection to livelihood promotion in a CARE project

Designed in 1992 as a typical livelihood protection project, the Lusaka-based Project Urban Self-Help (PUSH) provided food-for-work (FFW) opportunities to vulnerable women who had been affected by the recent drought in southern Africa. The FFW activities focused on road rehabilitation, proper drainage and rubbish clearance, thus contributing to basic service delivery for the poor, and cholera control, which was a concern at the time.The second phase of PUSH continued to use FFW for community initiatives but combined it with a strong emphasis on personal empowerment (including livelihoods/empowerment training and encouragement of the use of part of the food ration to initiate savings and credit services) and social empowerment (the formation and strengthening of representative area-based organizations with an emphasis on the involvement of women). In addition to the FFW activities, the area-based organizations also addressed other service delivery needs identified by the communities (including water supply, solid waste management and police services). PUSH II included a strong element of livelihood protection, but also promotion.The follow-up project that has since been initiated, PROSPECT, no longer includes FFW but has greatly expanded the social and personal empowerment elements, thus promoting livelihood strategies.

limited to local matters (e.g. community mobilization). Increasingly, though, it is seeing local institutional development within a broader democracy and governance agenda. Where this is the case, CARE works with local authorities and relevant national government agencies to legitimize and gain support for democratic local structures. It is also increasingly involved with advocacy, helping higher-level authorities develop appropriate strategies for working with community groups, etc. This is particularly the case in urban livelihood projects, as urban areas tend to be highly politicized and projects must work closely at the outset with municipal and sometimes national governments.

Operationalizing the approach

CARE makes use of various graphics to assist it in its application of the livelihoods approach. Its core programming principles are shown in Figure 1. This graphic stresses the dynamic and iterative nature of the programming process and the importance of learning so that the household livelihood security focus ensures better overall programme quality.

A phased approach is adopted that includes the following steps:

- identify potential geographic areas using secondary data to locate poverty concentrations;
- identify vulnerable groups and the livelihoods constraints they face;
- collect analytical data (holistic analysis guided by CARE's overall livelihood model, Figure 2), taking note of trends over time and identifying the indicators to be monitored;
- select the set of communities for programme interventions (these should be similar to other commu-

FIGURE 1:
CARE's programming principles for livelihood project

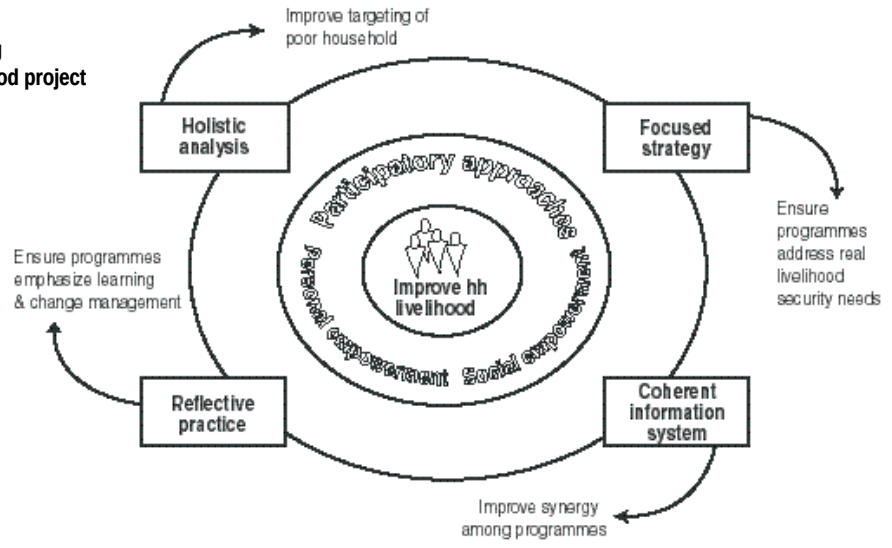
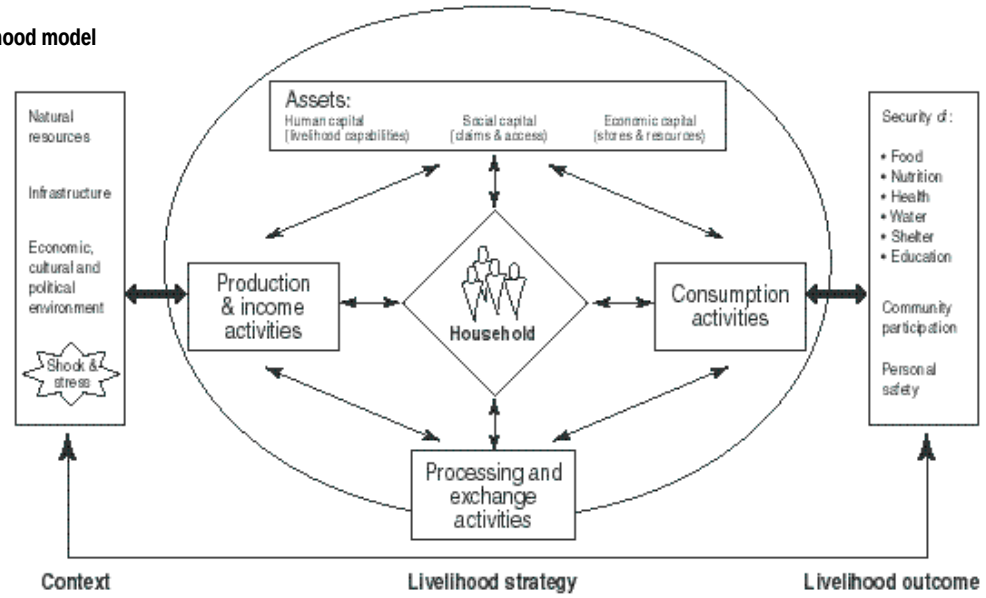


FIGURE 2:
CARE's livelihood model



nities to maximize the multiplier effects).

CARE has developed some specific tools for the livelihoods approach (e.g. a livelihood monitoring survey, participatory learning and training in action needs assessment and personal empowerment) but makes flexible use of a variety of existing tools, including rapid participatory assessments of livelihoods and baseline surveys. Its aim in using various tools is to gain a multidimensional view of livelihoods that helps identify the most vulnerable households and place people's own priorities and aspirations at the centre of the analytic and planning process. It stresses the importance of working with partners and taking into account cross-sectoral linkages even when working within a single sector.

Value added by the approach

CARE perceives the livelihoods approach to have generated the following benefits:

- improving the agency's ability to target truly poor and vulnerable households in its programmes yet building on those households' existing abilities and activities rather than on their resource needs;
- ensuring that needs addressed in project activities are those that centrally address households'livelihood security concerns;
- providing a useful link among CARE's emergency relief and development programmes (all households encounter shocks and stresses; how they are able to deal with them determines their level of security);
- being equally applicable in urban and rural settings;
- helping country offices achieve complementary relationships among projects with the same geographical coverage (including projects and programmes of other partners and the government);
- generating coherence in country office information systems;
- providing a clear conceptual focus for building partnerships that address poverty alleviation (including those with community institutions);
- improving the livelihoods in poor households and communities.

Lessons learned so far

Over the period that it has been working with the livelihoods approach, CARE has learned various lessons. These include:

- Collect as much secondary data as possible and use it in an iterative process involving stakeholders. This reduces the need to collect primary data (and thus reduces the cost).
- Focus on skills development among existing staff (particularly around participatory approaches) before attempting to introduce new livelihood terms and frameworks.
- Ensure that the introduction of a livelihoods approach is not viewed as merely a headquarters-driven initiative. The benefits of the new approach need to be clear.
- Use a "light" conceptual framework that is seen to be inclusive of other approaches and that focuses

on core programming principles.
- As lessons are learned, allow any framework to be adapted so that multiple actors contribute to its evolution.
- Extend the approach by building on successes, using case study projects and encouraging those involved in them to promote wider organizational understanding.

Key publications

Drinkwater, M. & Rusinow, T. 1999. "Application of CARE's livelihoods approach". Paper presented at Natural Resource Adviser's Conference 1999. (Available at www.livelihoods.org).

Frankenberger, T. & Drinkwater, M. 1999. "Household livelihood security: A holistic approach for addressing poverty and vulnerability". Atlanta, Georgia, CARE.

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DFID'S SUSTAINABLE LIVELIHOODS APPROACH

DFID's adoption of sustainable livelihoods approaches stems directly from its *1997 White Paper on International Development*. In this publication it was affirmed that DFID's aim was the elimination of poverty in poorer countries.[1] One of three specific objectives designed to achieve this aim is DFID's commitment to "policies and actions which promote sustainable livelihoods". For DFID, sustainable livelihoods is thus an approach to achieving poverty elimination rather than a goal in its own right.

Over the past two years, DFID has been gradually expanding and adopting sustainable livelihoods approaches. The initiative came from the rural side of the organization, with efforts to include urban livelihoods and mainstream the approach within the organization as a whole gathering strength in 1999. DFID is currently in the process of extending the discussion of SL ideas and assessing how they fit with existing procedures (e.g. country programming systems) and approaches (sector-wide approaches, rights-based approaches). It has also established a Sustainable Livelihoods Support Office to coordinate its learning process and several teams tasked with the investigation of particularly difficult issues (such as monitoring and evaluation and understanding policies and institutions in the SL context).

Core emphasis and definitions

Like the three other agencies, DFID adopts a version of the Chambers & Conway's definition of livelihoods: A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.

DFID's definition of a livelihood reduces the strength of the sustainability requirement from the Chambers & Conway definition (i.e. there is no requirement to produce net benefits for others). DFID considered this to be an unrealistic demand.

DFID stresses that there are many ways (rather than a single way) of applying livelihoods approaches, but that there are six underlying principles to all these approaches. According to DFID, poverty-focused development activity should be:

- *People-centred:* Sustainable poverty elimination will be achieved only if external support focuses on what matters to people, understands the differences between groups of people and works with them in a way that is congruent with their current livelihood strategies, social environment and ability to adapt.
- *Responsive and participatory:* Poor people themselves must be key actors in identifying and addressing livelihood priorities. Outsiders require processes that enable them to listen and respond to the poor.
- *Multi-level:* Poverty elimination is an enormous challenge that will be overcome only by participants' working at multiple levels, ensuring that micro-level activity informs the development of policy and an effective enabling environment and that macro-level structures and processes help people build on their own strengths.
- *Conducted in partnership:* The public and the private sector should be involved.
- *Sustainable:* There are four key dimensions to sustainability – economic, institutional, social and environmental sustainability. All are important; a balance must be found among them.
- *Dynamic:* External support must recognize the dynamic nature of livelihood strategies, be flexible to changes in people's situations and develop

[1] The White Paper was prepared at a time when donors were increasingly coming under fire for their mixed objectives and their limited achievements in reducing world poverty.

longer-term commitments.

Poverty-focused development activity should also be informed by an underlying commitment to poverty elimination, which is the thread running through all DFID's work.

DFID stresses the importance to livelihoods of capital assets and distinguishes five categories of such assets: natural, social, physical, human and financial.

It also stresses the need to maintain an "outcome focus", thinking about how development activity affects people's livelihoods and not only about immediate project outputs. This is one of the most significant changes associated with the SL approach. It means that projects will be planned and evaluated according to the contribution they make toward achieving beneficial livelihood outcomes for their target beneficiaries. These desired outcomes can be fully known only if there has been a participatory dialogue with project beneficiaries or their representatives. It is not enough to assume what people want to achieve in their lives. (There is a strong link here with participatory poverty assessments.)

If a project produces a given set of outputs (for example, if it is responsible for developing certain new technologies) but those outputs make no contribution to livelihood outcomes (e.g. if the uptake of those technologies is limited), then it will not be judged a success, regardless of the apparent or intrinsic value of those outputs. This outcome focus also encourages different projects or sectors to work together toward achieving shared goals (beneficial outcomes), rather than for each to define its own area of activity and fail to look beyond this. This can provide the basis for non-sectoral entry points. (For example, the entry point may be to reduce people's vulnerability to shocks. This may translate into activities that span the sectors, such as financial services activities, group empowerment activities, the development of new risk-reducing technologies and preventive health care.)

Types of activity

DFID is operationalizing livelihoods approaches in many different contexts. Broadly speaking, it aims to promote sustainable livelihoods through:

- direct support to assets (providing poor people with better access to the assets that act as a foundation for their livelihoods);
- support to the more effective functioning of the structures and processes (e.g. policies, public- and private-sector organizations, markets and social relations) that influence not only access to assets but also which livelihood strategies are open to poor people.

The idea that links these two ideas is one of empowerment. Generally speaking, if people have better access to assets, they will have more ability to influence structures and processes so that these become more responsive to their needs.

At a higher organizational level, DFID has identified three types of actions that can contribute to poverty elimination:

- *Enabling actions* are those that support the policies and context for poverty reduction and elimination.
- *Inclusive actions* are broad based and improve opportunities and services generally. They also address issues of equity and barriers to the participation of poor people.
- *Focused actions* are targeted directly at the needs of poor people.

SL approaches can contribute in all these areas. Work at the level of "transforming structures and processes"[2] is clearly linked to enabling actions. Support to the accumulation of different types of assets might be either inclusive (e.g. education programmes) or focused (e.g. supporting microfinance organizations for poor women).

Operationalizing the approach

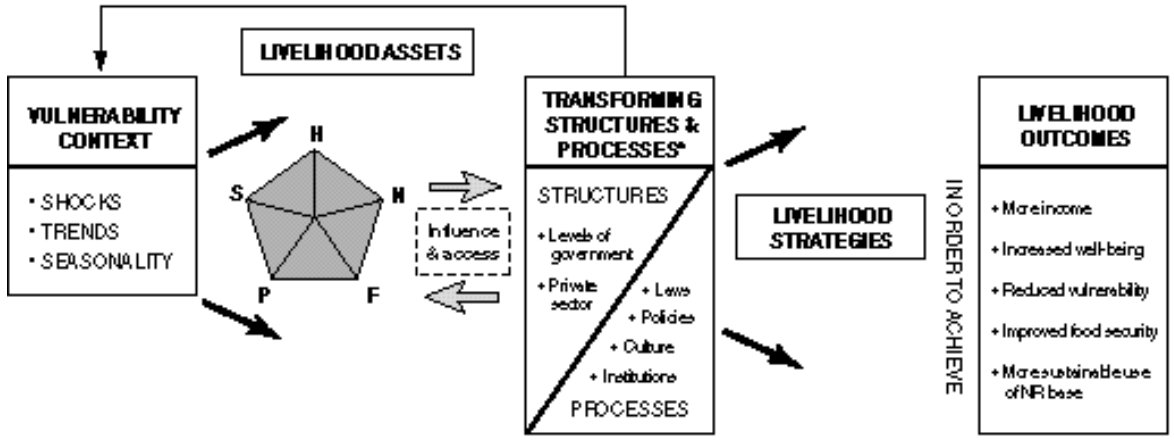
DFID has begun to make use of livelihoods approaches in project and programme planning and in monitoring and review of existing activities. It has used the approaches to a lesser extent in policy dialogue.

A first step is to understand livelihoods (to conduct livelihoods analysis) as a basis for planning, prioritization and eventual monitoring. There is no designated sequence for livelihoods analysis, nor has DFID developed particular tools for such an analysis. The stress is on using and building on the best of existing tools for the circumstances in hand (e.g. social analysis, gender analysis, stakeholder analysis, macroeconomic analysis, institutional appraisal, environmental checklists, strategic environmental assessment, strategic conflict assess-

[2] What was previously referred to in the DFID SL framework and literature as "transforming structures and processes" is now known as "policy, institutions and processes".The change was made to emphasize core issues and increase understanding of this aspect of the SL framework.

[3] DFID is currently working on developing an inventory of tools for use within SL approaches. Some adaptation of existing tools may be required.DFID is stressing the need for reflection and learning as it adopts the new approaches. This is a core purpose of its Sustainable Livelihoods Support Office and the web-based learning platform it has established.

FIGURE 3:
DFID's SLframework



* "Transforming structures and processes" is now known as "policy, institutions and processes".

ment, governance analysis, market analysis and participatory methods).[3] There is, however a distinct DFID SL framework (Figure 3) that provides an organizing structure for analysis.

Through use of the framework and a variety of tools, SL analysis asks a broad range of questions about poverty and its causes. It is not bounded by sectors or existing notions of what is important. The analysis is initially broad and relatively shallow, covering most or all aspects of the SLframework and employing various perspectives. As the main dimensions of livelihoods are uncovered and the meaning and causes of poverty become better understood, the analysis becomes iteratively narrower and deeper. Participation is critical throughout, though external experts do also have a role to play.

In Figure 3:

H represents human capital, the skills, knowledge, ability to labour and good health important for the pursuit of different livelihood strategies.

P represents physical capital, the basic infrastructure (transport, shelter, water, energy and communications), production equipment and means that enable people to pursue livelihoods.

S represents social capital, the social resources (networks, group membership, relationships of trust, access to wider institutions of society) upon which people draw in pursuit of livelihoods.

F represents financial capital, the financial resources (whether savings, supplies of credit, regular remittances or pensions) available to people and that provide them with different livelihood options.

N represents natural capital, the natural resource stocks from which resource flows that are useful for livelihoods are derived (e.g.land, water, wildlife, biodiversity, environmental resources).

DFID stresses the need for livelihoods approaches to be underpinned by a pro-poor bias and to be informed by prior social analysis to ensure that vulnerable households and groups are not neglected.

Value added by the approach

DFID perceives the livelihoods approach to have generated the following benefits:

- a clear and practical perspective on how to reduce poverty;
- a much greater appreciation of the links among different livelihood components and sectors (e.g. health, education);
- if used effectively, a good way of integrating the four pillars of development (economic, social, institutional and environmental) in a non-sectoral way;
- assurance that development efforts are people focused.

Lessons learned so far

DFID has begun to learn early lessons about operationalizing SL approaches, including:

- Ensure methodological diversity for capturing the many diverse elements of livelihoods.
- Build on strengths and do not abandon a sectoral anchor.
- Identify manageable entry points and be opportunistic. It is not necessary to establish labelled SL projects or programmes.
- Do not be overambitious in the use of SL approaches; a gradualist approach is likely to be more effective.
- When introducing SL approaches to partners, it may be unwise to start with the framework, which can be complex and off-putting.
- Stress important concepts (e.g. power relations, gender concerns) that seem to be underemphasized in the SL framework and are not made explicit in the underlying principles. Use other tools (e.g. strategic conflict assessment, social analysis) to ensure that these "missing ideas" are reflected in practice.
- Sustainability issues can easily be "left out" in SL analysis. Ensure that the four aspects of sustainability that DFID is pursuing (social, economic, environmental and institutional) remain prominent throughout.
- Implement internal change in agencies that wish to implement SLapproaches. (This can be difficult to achieve, particularly in organizations that are structured in a narrowly sectoral way.)

Key publications

Ashley, C. and Carney, D. 1999. Sustainable livelihoods: lessons from early experience. London: DFID. (Available at www.livelihoods.org).

Carney, D. ed. 1998. "Sustainable rural livelihoods: what contribution can we make?" Papers presented at DFID's Natural Resources Advisers'Conference, July. London, DFID.

Sustainable livelihoods guidance sheets. London, DFID. Sections 1-4 of 8. (Available at www.livelihoods.org).

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OXFAM GREAT BRITAIN'S SUSTAINABLE LIVELIHOODS APPROACH

Oxfam Great Britain adopted a sustainable livelihoods approach in the early 1990s. It felt a need for a broad framework that could accommodate issues of environmental change together with concerns about globalizing markets, deteriorating economic rights, gender and wider social inequality and the need to strengthen deprived people's participation in the development process. The analytical work on sustainable livelihoods that had recently been conducted by Chambers & Conway seemed to offer a positive approach that could integrate all these issues, without falling into the trap of simply "adding the environment" to Oxfam's core aim of alleviating poverty.

Oxfam uses the SL approach in planning and assessment (of projects and wider programmes) and incorporates it as part of its overall strategic aim. Oxfam is a decentralized organization with more than 1 000 partners in more than 50 countries. The organization has always been aware of the need for the SL language to be compatible with the ideas and languages throughout its structure. Rather than promoting SL as the sole way of going about things, Oxfam has created an environment in which the approach can be more or less prominent in different parts of its pro-

gramme.

Core emphasis and definitions

Oxfam takes its definition of sustainable livelihoods from Chambers & Conway (1992). It stresses that sustainability needs to be looked at from several perspectives:

- economic (e.g. the functioning of markets, credit supply);
- social (networks, gender equity);
- institutional (capacity-building, access to services and technology, political freedom);
- ecological (quality and availability of environmental resources).

(N.B. DFID built on this work when developing its own ideas about sustainability.)

One of Oxfam's five current corporate aims is to help secure "the right to a sustainable livelihood". This aim, together with the aim related to saving lives during humanitarian crises is by far the most important in financial terms. Under the sustainable livelihoods aim, two "strategic change objectives" have been formulated. These stress outcomes similar to those included in the DFID framework (however, DFID's outcomes are seen as categories of things that people might want to achieve, but there is no assumption that they should be achieved).

Oxfam's desired outcomes are that people living in poverty will:

- achieve food and income security;
- have access to secure paid employment, labour rights and improved working conditions.

Other corporate aims and change objectives articulate rights to social services, "the right to life and security" and various forms of social equity. In any given programme, Oxfam endeavours to address at least three of its corporate aims, with "saving lives" being a common thread in all its programmes and a way to link humanitarian support during crisis situations with longer-term development.

Types of activity

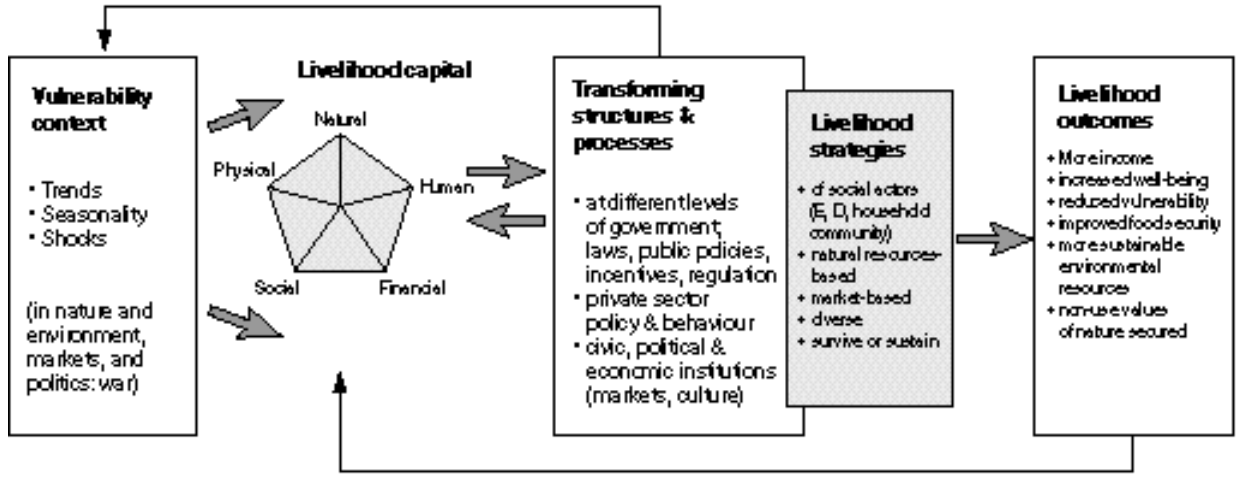
Since 1993, Oxfam Great Britain has employed the SL approach both in formulating overall aims and in improving project strategies. In the former area, the approach has helped articulate the need for assisting deprived people in gaining better access to and more control over productive resources, strengthening their position in markets, and ensuring that these improvements are structural rather than temporary. In the latter area the approach has been used to formulate inclusive and participatory projects and to assess their impact on livelihoods, the environment and social relations.

Like CARE, Oxfam is becoming increasingly involved in issues relating to macro-micro links, policy and advocacy. It expects this type of work to expand in the future.

Operationalizing the approach

Oxfam has used elements of Chambers & Conway's original sustainable livelihoods framework as a kind of checklist in project appraisal, planning and review. It makes use, at least semi-formally (there are no "established rules"), of a framework similar to the DFID framework (Figure 4). This similarity partly

FIGURE 4:
Oxfam's SL framework



reflects the cooperation between the two agencies in developing operational ideas about SL approaches.

Since 1993, Oxfam has trained staff and partner staff from about 12 country programmes in workshops on what "sustainable livelihoods" can mean (strongly based on Chambers & Conway), the use of checklists borrowed from environmental screening (i.e. an early stage of environmental impact assessment) and participatory approaches to appraisal and project review. These workshops have demonstrated that in order to operationalize the SL approach it is necessary to combine some conceptual analysis with a range of existing project management and analytical tools, including participatory rural appraisal (PRA). The workshop reports were communicated and distributed widely and influenced training in other countries. As a result, new initiatives have been adopted and analysis has improved within projects and programmes. However, it is too early to draw any conclusions about the effect this might have on livelihoods.

Oxfam has also launched the platform Exchanging Livelihoods (1994 onwards) for learning about approaches to livelihood improvement and environmental management. This inexpensive, non-glossy internal series of documents brings together collections of experiences, ideas and achievements of country programmes in the livelihoods area. It is written by staff (or edited from their materials) and widely distributed to staff and partners, in three languages.

Lessons learned so far

Current learning by Oxfam includes:

- Frameworks, such as the sustainable livelihoods framework, have remained too abstract for field-level staff. However, the approach has been appreciated and used at higher levels in Oxfam and is therefore strongly reflected in overall organizational strategies.
- The "language" of the livelihoods framework and approach is compatible with many other languages (for example of deprived people, of local and international development organizations that stress a rights approach and of environmental and conservation organizations). It is not always necessary to make use of the SL framework explicit.
- Because the framework is so broad, use of the sustainable livelihoods "lens" has not been effective in strengthening understanding of the links between environmental change and poverty (even though this was a major reason for introducing the approach within Oxfam).
- Lessons about participatory approaches, which were in part introduced in conjunction with the sustainable livelihoods framework, have proved more powerful than the framework or environmental checklists among field-level staff.

Key publications

Eade, D. & Williams, S. eds. 1995. *Oxfam handbook for development and relief*. Oxford, Oxfam.

Oxfam GB. 1994, 1995, 1997, 1999. "Exchanging livelihoods" (pilot edition, urban edition, food security edition, natural resources edition). Unpublished collection of case studies. Policy Department. Oxford, Oxfam.

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UNDP'S SUSTAINABLE LIVELIHOODS APPROACH

Within UNDP the sustainable livelihoods agenda is part of the overall sustainable human development (SHD) mandate that the organization adopted in 1995. This includes poverty eradication, employment and sustainable livelihoods, gender, protection, regeneration of the environment and governance. In this context, the SL approach is one way of achieving poverty reduction, though there are other strategies being pursued within the organization (e.g. macroeconomic growth, community development, community-based natural resource management).

A major contributing factor in the adoption by UNDP of the SL approach was the ongoing debate within the international development community on the ineffectiveness of traditional development strategies, especially with regard to poverty reduction. This ineffectiveness appeared to be partially because of an incomplete understanding of the competing demands placed on poor men and women on a daily basis.Also, the importance of the environment was coming to the fore in the early 1980s, and the links between poverty and the environment were being examined in a new light, one that attempted to go beyond the conventional wisdom of the "downward spiral" to focus on how poor men and women could protect the environment while alleviating their poverty. The onset of structural adjustment programmes and their subsequent fallout - weak safety-net mechanisms, increased vulnerability of the poor, etc. also prompted the need to look at how policies and institutions could be reori-

ented to serve the poor better. All these strands came together at the World Conference on Environment and Development (Brundtland Commission) in 1987.

Subsequent publications by Robert Chambers, Susanna Davies, Ian Scoones and Chambers & Conway elaborated the concept of sustainable livelihoods and provided initial research findings. For UNDP, an opportunity for putting these concepts and research findings into practice was offered in a joint programme with Canada's International Institute for Sustainable Development (IISD), Adaptive and Coping Strategies in Arid and Semi-Arid Lands. This effort paved the way for SL to be included as one of the UNDP's five sustainable human development components.

Core emphasis and definitions

As one of UNDP's five corporate mandates, sustainable livelihoods offers a conceptual and programming framework for poverty reduction in a sustainable manner. Conceptually, livelihoods denotes the means, activities, entitlements and assets by which people make a living. Assets are defined as natural/biological (i.e. land, water, common-property resources, flora, fauna), social (i.e. community, family, social networks), political (i.e. participation, empowerment – sometimes included in the social category), human (i.e. education, labour, health, nutrition), physical (i.e. roads, clinics, markets, schools, bridges) and economic (i.e., jobs, savings, credit). The sustainability of livelihoods becomes a function of how men and women use asset portfolios on both a short- and long-term basis. Sustainable livelihoods are those that are:

- able to cope with and recover from shocks and stresses (such as drought, civil war, policy failure) through adaptive and coping strategies;
- economically effective;
- ecologically sound, ensuring that livelihood activities do not irreversibly degrade natural resources within a given ecosystem;
- socially equitable, which suggests that promotion of livelihood opportunities for one group should not foreclose options for another, either now or in the future.

Within UNDP, SL brings together the issues of poverty, governance and environment. UNDP employs an asset-based approach and stresses the need to understand adaptive and coping strategies in order to analyse the use of different types of assets. Other key emphases of UNDP are that:

- the focus should be on strengths as opposed to needs;
- macro-micro links should be taken into consideration and actively supported;
- sustainability (as defined above) should be constantly assessed and supported.

Unlike the other agencies covered in this review, UNDP explicitly focuses on the importance of technology as a means to help people rise out of poverty. One of the five stages in its five-stage livelihoods approach (see below) is to conduct a participatory assessment of technological options that could help improve the productivity of assets. (Where such assessment showed that indigenous technologies were extremely effective, UNDP's goal would be to ensure that these were adequately understood and promoted by governmental or non-governmental agencies that worked with local people.)

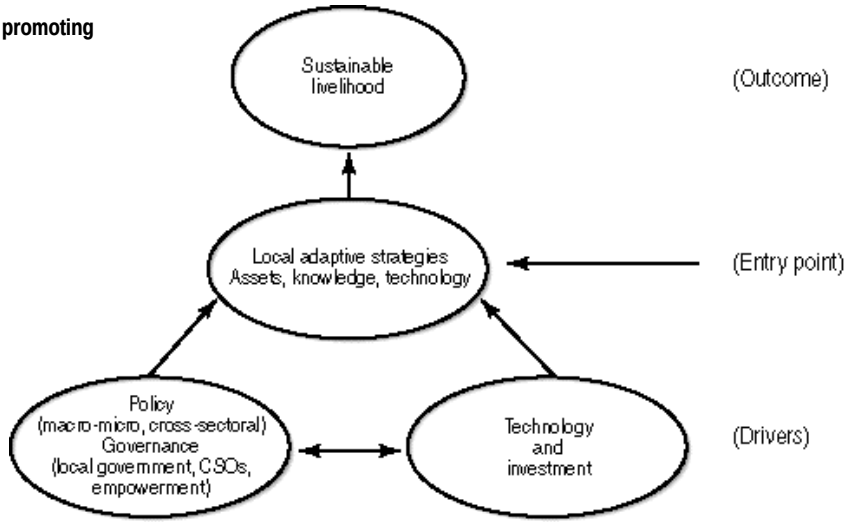
Types of activity

UNDP has employed the SL approach largely within its agriculture and natural resources work (though its place in urban work is gaining in importance). Its goal, within its overall SHD mandate, is to promote access to and sustainable use of the assets on which men and women rely. In order to do this, and to understand how assets are utilized, it takes as its entry point the adaptive/coping strategies that people employ in their livelihoods. Both assets and adaptive strategies are intersectoral in nature. Focusing on these issues highlights the multidimensionality of poverty and the range of actions that can/could be taken to reduce different forms of poverty. In practice, though, UNDP has found that programme design is facilitated by its clustering sectors (i.e. agriculture, environment, infrastructure, enterprise).

This represents a slight difference from DFID. DFID aims to understand livelihood strategies as part of its overall framework but in principle focuses its actual development activity on either assets themselves or on structures and processes (the idea being that this will maximize people's opportunities over the long term). Again, though, these initial entry points can translate into programmes that have a clear sectoral identity (though with goals that reflect not so much sectoral achievement as livelihood outcomes).

UNDP works most often at the national level, with specific programmes and activities at district and village levels. Analysis takes place at both a household and a community level.

FIGURE 5:
UNPD's SLapproach to promoting sustainable livelihoods



Operationalizing the approach

UNDP tends to use its programming cycle as the initial entry point for promoting SL. When applying the SL approach, it adopts a five-stage approach:

- participatory assessment of risks, assets, the indigenous knowledge base and the coping and adaptive strategies of communities and individuals;
- analysis of micro, macro and sectoral policies that influence people's livelihood strategies;
- assessment of how modern science and technology can help people improve their livelihoods (complementing indigenous technologies);
- assessment of social and economic investment mechanisms that help or hinder people's livelihoods;
- ensuring that the first four stages are integrated in real time, so that they are part of overall programme development rather than isolated events in time.

Figure 5 shows UNDP's approach to promoting sustainable livelihoods. (UNDP does not have a specific livelihood framework.)

In stage 1, UNDP proposes starting with a strengths assessment, examining:

- categories of assets available;
- how they are used (adaptive strategies);
- specific categories of assets in use;
- conditioning factors (shocks and stresses).

In stage 2, policy analysis (this would be akin to a subsection of DFID's analysis of overall policy, institutions and processes), UNDP uses a variety of approaches, including a "narrative methodology" (whereby it collects as many views as possible about how policy is interpreted and implemented), cost-benefit analysis, critical theory and analysis of local justice systems. This allows for triangulation and the identification of potential entry points for policy change/advocacy. (N.B. See Roe, E. M. 1998. Policy analysis and formulation for SL. New York, UNDP. Available on the UNDP website at: www.undp.org/sl/).

In its assessment of investment mechanisms (stage 4) UNDP moves from the common response of simply offering credit to local people, attempting to gain a proper understanding of whether such investment is really required and, if so, what form it should take. (This is a participatory exercise). Investment is not limited to personal financial resources. Within this step, UNDP also looks at more macro issues, such as the investments required in, for example, health and education and, more generally, at issues to do with the mobilization of national financial resources in favour of the poor or small-scale entrepreneurs. Its aim is to uncover people's overall investment priorities and ensure that these are addressed in a meaningful way that makes an impact on livelihoods.

The fifth stage is not a discrete step but rather a reminder that the other stages be applied interactively rather than sequentially. Information gathered in one area should be relevant to other areas. The aim is to establish a holistic and highly participatory process of analysis with effective triangulation of information and an overall sense of coordination and progress.

UNDP uses a variety of participatory tools to conduct its analysis. The main adaptation it makes is to

ensure that, while using these tools, there is a focus on strengths (i.e. existing assets) and not on needs. Thus the participatory analysis aims to discover why people are doing well in certain areas or aspects rather than what it is they lack. UNDP acknowledges that new tools must be developed/tested, especially for the area of linking micro concerns to national poverty action plans, etc.

Value added by the approach

UNDP perceives the main benefit of the livelihoods approach to be that it approaches poverty reduction in a sustainable manner. In particular, it attempts to bridge the gap between macro policies and micro realities (and vice versa). Neither poverty reduction programmes nor participatory development initiatives have been able to do this. Anti-poverty endeavours have usually been conceived and implemented at the national level, using per capita income or consumption measures and a manipulation of sectoral policies as points of departure. Little, if any, attention has been paid to the manner in which (or where) people live, the resources (assets) used for pursuing livelihoods or the human and financial costs associated with the implementation of national programmes through a centralized bureaucracy.

Participatory development, on the other hand, has usually managed to understand how men and women prioritize needs, exploit resources and offer solutions to their pressing problems, but it has failed to examine how macro and sectoral policies affect the livelihood options available to a particular community or individual. This means that participatory development initiatives remain isolated from broader economic processes.

The SL approach has the additional advantage of integrating environmental, social and economic issues into a holistic framework for analysis and programming. This results in sustainability being kept in the fore and viewed simultaneously through environmental and socioeconomic lenses.

Other advantages include:

- SL programme development beginning not with community needs assessment but with community strengths and assets assessment (which helps build self-esteem and self-reliance and break the donor-recipient syndrome);
- the SL approach stimulating learning among all concerned, as it is more a process than a strict methodology.

Lessons learned so far

UNDP has learned the following lessons:

- Ownership of SLapproaches and programmes has a profound effect upon their success. The tendency to use external experts for conducting livelihoods analysis rather than developing the skills of local people should be avoided. Long-term partnerships that are supported with iterative team-building exercises can be effective.
- When partners come from various ministries, departments and civil-society organizations, as is often the case for UNDP, ensuring smooth collaboration and coordination in the multistage process outlined above can be difficult. It is important to remain flexible in order to accommodate changes and differences. Sometimes policy conflicts can be resolved by agencies' working with "higher-level" partners, though it may also be necessary to find "lower-level" partners for implementation purposes.
- It takes a long time (from six months to a year) to design SL programmes. If stakeholders are to understand fully the new concepts and take part in their application, this time is necessary. Capacity-building for SL is a huge task, especially within government organizations. It will not be achieved through one-time-only workshops.
- It is not feasible to conduct linked micro-macro analyses of all policies (stage 2 of the multistage process). For the sake of practicality, it is usually necessary to select key macro or sectoral policies that directly affect the lives of men and women (e.g. agriculture, health, education, transport).
- Early on, gender analysis, and intrahousehold issues more generally, appeared to be somewhat neglected in UNDP's SL work. This was partly because of the focus on the household and partly because of a lack of skills among those implementing the analysis. UNDP is now addressing this problem and is in the process of finalizing a note on gender analysis. (This will be made available on the UNDP website.)
- It is essential to involve all stakeholders in the SL process and to articulate rights and responsibilities up front. The question of whether the process results in empowerment for local people is hard to resolve. Empowerment may well be more likely to result from efforts to change the culture and com-

position of local government structures (to make them more participatory, to include more women) than from the promotion of village action plans that may well be neglected. In the final analysis, local empowerment efforts are likely to achieve little without complementary changes in administrative and governance structures that help strengthen the advances made at the community level.
- It is critical to be flexible so that different countries/groups can use the core SL ideas in ways that best suit their needs and purposes.

Key publications

The UNDP SL website (www.undp.org/sl/) includes various papers and guides in full text. Notable guides are those for asset analysis, policy analysis, governance, investment and technology analysis.

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DIFFERENCES AMONG THE AGENCIES: HOW MUCH DO THEY MATTER?

Given that all four agencies covered in this review have only recently begun to implement sustainable livelihoods approaches, it is probably too early to draw firm conclusions about differences. This review has shown that the four agencies have much in common, notably their focus on assets and micro-macro links and their common roots in the work of Chambers & Conway. All four also stress flexibility in application.

The more interesting question, which can be answered only over the longer term, is how the different agencies vary in their actual operationalization of the approaches. It is likely that that variation is both internal (i.e. different parts of a single organization operate in somewhat different ways) and among the four agencies. There is scepticism that for all the new and good intentions, the agencies are in danger of reverting to familiar, needs-based income-generation programmes (unless they remain highly vigilant and seek to learn as they go).[1]

In the short term and at a conceptual level, commonality certainly exceeds variation:
- All agencies adopt an asset-based approach. Differences in the number of assets considered by particular agencies are not likely to be important. Some agencies stress capabilities as well as assets and activities, others less so. However, this seems to be more a case of simplifying vocabulary than of abandoning the core ideas that lie behind the notion of capabilities.
- There is a somewhat different understanding of sustainability among the agencies. CARE, in particular, stresses household livelihood security. If this difference were carried into practice, it could be significant (for example the relative emphasis placed on the environment would differ). However, gaining an understanding of sustainability and incorporating its different elements into action programmes is perhaps one of the more challenging aspects of SL approaches.
- All agencies stress a need to understand and facilitate effective micro-macro links. The various agencies also seem to have quite strong opinions on the extent to which they are doing this themselves and the extent to which other agencies are doing it. A good deal of the difference probably comes down to the agencies' different mandates and scale of operation. UNDP and, to a lesser extent, DFID tend to have higher-level entry points than the NGOs. Yet both NGOs see a need to work more on macro issues in the modern development context. There is clear scope for complementary activity here, with different agencies building on their existing strengths.
- Different agencies place a different level of stress on empowerment. Again, this may well have to do with comparative advantage issues rather than with an actual difference of opinion as to what is important.
- UNDP is the only organization that explicitly stresses technology in its framework. It is not yet clear whether this has a specific impact on development activity. DFID certainly supports many technology programmes, despite the fact that it chooses

[1] This is not meant to suggest that SL approaches reject income-generation programmes. The difference is in the way in which a programme is defined and the options that are considered. Importantly, the SL approach aims to build on strengths (rather than immediately focusing on needs) as a means of achieving local participation in programmes and helping to ensure longer-term sustainability. SL programmes also take a wider view of the options. They may just as well support non-income-based livelihood priorities (e.g.reducing vulnerability or conflict, increasing political voice) as income-generation activities. The choice will depend on factors such as demand drive, strengths of partners in different areas and feasibility. There is certainly no bias against income generation, and most applications of an SL approach explicitly recognize the importance of the private sector, the market and market transactions.

TABLE 1

Origins and use of SL approaches

Agency	CARE	DFID	OXFAM	UNDP
		Origins of SL approach	• CARE Long-range Strategic Plan as programme thrust	• White Paper commitment to supporting policies & actions that promote SL • Overall aim of poverty elimination
		When introduced	1994	1998
		Change from what…	• Primarily a sectoral focus	• Resource-focused activity (within former natural resource division) • Sectoral focus
		Status of SL within the agency	• Primary organizationwide framework for programming	• Support from the top but still associated with rural side • One approach for achieving poverty eradication
		Current uses	• Relief through development • Urban & rural	• Started rural, now more interest from urban side •Various uses through development project cycle
		Types of activity	• Livelihood protection • Livelihood promotion • Livelihood provisioning	•Various to meet international development targets (including poverty elimination) • Link to rights and sector approach
		Strengths emphasized	• Comprehensive yet flexible • Improves sectoral coordination • Increases multiplier effects	• Builds upon existing experience and lessons • Offers a practical way forward in a complex environment
		Core ideas/organizing principles	• Household livelihood security • People-centred	• People-centred • Multilevel partnership •Various types of sustainability • Dynamic • Poverty-focused

not to single out technology (viewing it instead as one key means of contributing to human capital).

- All agencies recognize that the livelihoods approach is not a "magic bullet" but instead an approach with a good deal of potential that must draw in and build on the best of existing development practice if it is to fulfil that potential. Core areas in which it must do this include stakeholder, gender and social analysis (including analysis of power relations), environmental assessment, economic analysis and conflict analysis. The various SL frameworks that are in use provide a means of structuring thinking during the conducting of analyses of trade-offs among different groups and different development outcomes. It may also help agencies think through cause-and-effect relations. However, the livelihoods approach in and of itself does not make these extremely difficult issues any easier to address. There is no substitute for the political and social processes that lie behind change.

We hope to update this assessment as time moves on, incorporating the views of those actually engaged in interagency partnerships at the country level.

TABLE 2

Operational issues

Agency	CARE	DFID	OXFAM	UNDP
• Need to link environmental change with poverty issues • Strategic planning exercise looking for unifying concepts 1993 • Primary environmental care	• Part of overall sustainable human development agenda 1995 • Partly a reaction against economic- and employment-focused initiatives			
• One of five strategic change objectives • Across development emergency & advocacy • Mostly rural • Used for strategic planning purposes, seldom at field level	• One of five corporate mandates • An approach for achieving sustainable human development • Rural and urban • Country programme planning • Small and micro enterprise activity			
• Strategic planning activities	• Conceptual and programming framework			
• Participatory analysis • Enables links to social and human rights approaches	• Links micro-macro • Integrates poverty, environment & governance issues • Gets the most out of communities and donors			
• People-centred • Multilevel partnership • Various types of sustainability • Dynamic	• Adaptive strategies • Conditioning factors (shocks and stresses that affect asset use)			

Operationalizing household livelihood security

A HOLISTIC APPROACH FOR ADDRESSING POVERTY AND VULNERABILITY

Timothy R. Frankenberger, Michael Drinkwater, Daniel Maxwell

Starting point

of sustainability

Asset categories

Analysis procedures

Distinguishing
features
of agency's approach

Understanding

- Possession of human capabilities
- Access to tangible & intangible assets
- Existence of economic activities
- Basic needs addressed:
  - income/employment
  - food security
  - water supply
  - basic education
  - basic health & family planning
  - community participation

- Access to assets
- Transforming structures and processes

- Identify potential geographic area
- Identify vulnerable groups and livelihood constraints
- Collect baseline data and identify indicators
- Select communities (taking into account similarity and absorptive capacity)

- Social/poverty analysis
- Livelihoods analysis (develop an understanding of livelihoods structured using the SL framework, start broad, use a multitude of tools & become narrower)
- Partnership analysis (decisions about action are informed by an understanding of strengths of existing partnerships and areas of expertise of partners)

- Partnerships, institution/ capacity-building
- Environmental
- Social/gender equity
- Emphasis on secure rather than sustainable

- Social
- Economic
- Environmental
- Institutional

- Human
- Social
- Economic

- Human
- Social
- Natural
- Physical
- Financial

- Distinguishes between private natural assets & common property assets
- Stress on household level
- Personal and social empowerment emphasized

- Stress on underlying principles and a variety of SL approaches
- Analysis of strengths
- Micro-macro links

- Enhancing people's capabilities
- Working towards equity
- Working towards sustainability (four aspects)
- Ensuring links between policy changes and livelihood improvement

- Programming strategy
- Analysis of strengths
- Analysis of assets and coping/adaptive strategies

- Stress on impact monitoring and assessment
- Participation of various stakeholders with positive bias towards excluded groups

- Participatory assessment of risks, assets, indigenous knowledge and coping/adaptive strategies
- Assessment of micro, macro and sectoral policies
- Assessment of potential contribution of modern science
- Assessment of existing investment opportunities
- Ensuring that the first four steps are integrated in real time

- Social
- Economic
- Environmental
- Institutional

- Ability to cope with stresses and shocks
- Economic efficiency
- Ecological integrity
- Social equity

- Human
- Social
- Natural
- Physical
- Financial

- Human
- Social
- Natural
- Physical
- Economic
- Sometimes political

- Relatively loosely applied idea across a decentralized organization

- Starts with a strengths (rather than needs) assessment
- Emphasis on technology
- Emphasis on micro-macro links
- Adaptive strategies as the entry point

CARE officially adopted household livelihood security (HLS) as a programming framework in 1994. Over the past five years, CARE has been working to institutionalize the approach in its programming worldwide. This has been neither a smooth nor an easy process. Significant progress has been made in improving concepts, strengthening their application and understanding their implications on programme design and evaluation.

This paper describes how HLS has been operationalized in CARE. Drawing on lessons learned from a number of countries, the paper shows how livelihood concepts and tools have been taken into account in strategic planning, diagnosis, design, implementation, monitoring, reformulation and evaluation.

Household livelihood security continues to be the cornerstone framework that CARE uses to carry out its programming efforts. It allows CARE to have a

more holistic view of the world to inform its program - ming decisions, enabling the organization to under - stand better the root causes of poverty. In addition, it helps clearly identify opportunities and leverage points for positive change. Application of the liveli - hood framework should not be considered a linear process but rather a flexible, dynamic and iterative process over time.

Taking a holistic view does not always mean that one must undertake multiple interventions. Application of the HLS framework can be done using various entry points.

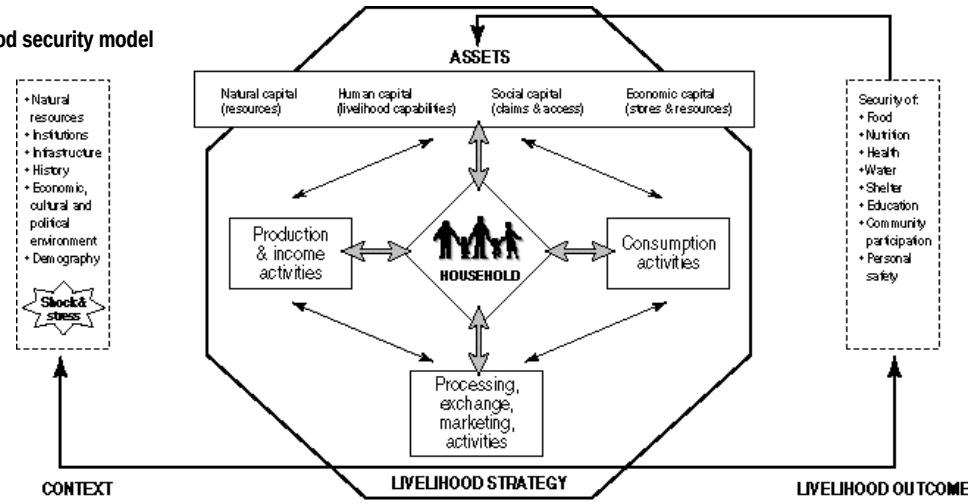
Over the past several years, CARE has identified several analytical lenses that have been incorporated into an HLS holistic analysis to understand better the root causes of poverty. These analytical lenses include basic needs, a human rights perspective, civil partici - pation and action, gender and the policy environment. These various lenses are significantly influencing the future directions of CARE programming.

In the end, the HLS framework is helping CARE make strategic choices about where to concentrate its limited resources and how to leverage its comparative advantages to achieve the most positive and lasting change. It is through these efforts that CARE will con - tribute to the global effort to end poverty.

CONTENTS

[1] See for example Clare Ferguson, 1999, "Global social policy principles: human rights and social justice", on the active/passive difference between rights-based and needs-based approaches. Personal communication.CARE Bolivia.

FIGURE 1:
CARE's livelihood security model



Source: After Swift, 1989; Drinkwater, 1994; Carney, 1998; Frankenberger and Drinkwater, 199

SECTION I. INTRODUCTION

Household livelihood security (HLS) has become CARE's basic framework for programme analysis, design, monitoring and evaluation. HLS grows out of a food-security perspective but is based on the observation that food is only one important basic need among several, and adequate food consumption may be sacrificed for other important needs. Given that the causes of poverty are complex, HLS provides a framework for analysing and understanding the web of poverty and people's mechanisms for dealing with it.

CARE officially adopted household livelihood security as a programming framework in 1994. Over the past five years, the agency has been working to institutionalize a livelihood approach in its programming worldwide. This has been neither a smooth nor an easy process. CARE has put a lot of effort into mainstreaming HLS by developing tools and methods, training staff, encouraging reflections and learning how to improve the framework. Significant progress has been made in improving the concepts, strengthening their application and understanding their implications on programme design and evaluation.

The purpose of this paper is to describe how the household livelihood security framework has been operationalized in CARE. Drawing on lessons learned in a number of countries, the paper attempts to show how livelihood concepts and tools have been taken into account in diagnosis, design, implementation, monitoring, reformulation and evaluation. Examples will be provided on how the livelihood framework operates in different contexts, such as in emergency, mitigation, recovery and development settings. Emphasis will be placed on how participatory approaches have been integral to this process. In addition to the use of the livelihood framework in new programme designs, the paper will document experiences dealing with retrofitting existing projects/programmes that originally did not use a livelihood framework. Lessons learned from this paper will provide future guidance.

A brief history of the inception of household livelihood security

During the past several years, much conceptual progress has been made in an understanding of the processes that lead to household food insecurity (Frankenberger 1992). In the 1970s, food security was linked mostly to national and global food supplies. The food crisis in Africa in the early 1970s stimulated a major concern on the part of the international donor community regarding supply shortfalls created by production failures due to drought and desert encroachment (Davies et al. 1991). This focus on food supplies as the primary cause of food insecurity was given credence at the 1974 World Food Conference.

Afocus on household food security with an emphasis on food access (1980s). The limitations of the food supply focus came to light during the food crisis that plagued Africa in the mid-1980s. It became clear that adequate food availability at the national level did not automatically translate into food security at the individual and household levels. Researchers and development practitioners realized that food insecurity occurred in situations where food was available but not accessible because of an erosion in people's entitlement to that food (Borton and Shoham 1991). Sen's (1981) theory

on food entitlement had a considerable influence on this change in thinking, representing a paradigm shift in the way that famines were conceptualized. Food entitlements of households derive from their own production, income, gathering of wild foods, community support (claims), assets, migration, etc. Thus a number of socioeconomic variables have an influence on a household's access to food. In addition, growing food insecurity was viewed as an evolving process where the victims were not passive to its effects. Social anthropologists observed that vulnerable populations exhibited a sequence of responses to economic stress, giving recognition to the importance of behavioural responses and coping mechanisms in food crises (Frankenberger 1992). By the late 1980s, donor organizations, local governments and NGOs began to incorporate socioeconomic information in their diagnoses of food insecurity.

The household food security approach that evolved in the late 1980s emphasized both availability and stable access to food. Thus, food availability at the national and regional level and stable and sustainable access at the local level were both considered essential to household food security. Interest was centred on understanding food systems, production systems, and other factors that influenced the composition of food supply and a household's access to that supply over time. What was not clear was how nutritional outcomes were factored into food-security deliberations.

A focus on nutritional security with an emphasis on food, health and mother and child care (early 1990s). Work on the causes of malnutrition demonstrated that food was only one factor in the malnutrition equation, and that in addition to dietary intake and diversity, health and disease, and maternal and child care were also important determinants (UNICEF 1990). Household food security is a necessary but not sufficient condition for nutritional security. Researchers found that there were two main processes that had a bearing on nutritional security. The first determined access to resources of food for different households. This was the path from production or income to food. The second process involved the extent to which the food obtained was subsequently translated into satisfactory nutritional levels (World Bank 1989). A host of health, environmental, and cultural/behavioural factors determine the nutritional benefits of the food consumed; this is the path from food to nutrition (IFAD 1993).

This work on nutritional security demonstrated that growth faltering could not necessarily be directly related to a failure in household food security. It shifted the emphasis away from simple assumptions concerned with household access to food, resource base and food systems by demonstrating the influence of health and disease, "caring" capacity, environmental sanitation and the quality and composition of dietary intake on nutritional outcomes.

A focus on household livelihood security (1990s). Research carried out in the late 1980s and early 1990s indicated that the focus on food and nutritional security as they were currently conceived needed to be broadened. It was found that food security was but one subset of objectives for poor households, and only one of a whole range of factors that determined how the poor made decisions and spread risk and how they finely balanced competing interests in order to subsist in the short and longer term (Maxwell & Smith 1992). People may choose to go hungry to preserve their assets and future livelihoods. Therefore, it is misleading to treat food security as a fundamental need, independent of wider livelihood considerations.

Thus, the evolution of the concepts and issues related to household food and nutritional security led to the development of the concept of household livelihood security. The HLS model adopted by CARE allows for a broader and more comprehensive understanding of the relationships among the political economy of poverty, malnutrition, and the dynamic and complex strategies that the poor use to negotiate survival. The model places particular emphasis on household actions, perceptions and choices, with food understood to be only one of the many priorities. People are constantly being required to balance food procurement against the satisfaction of other basic material and non-material needs (Maxwell & Frankenberger 1992).

To summarize, there were three strategic shifts in development thinking that led CARE to the adoption of a livelihood approach:

- a shift from a concern for regional and national food security to a concern for the food security and nutritional status of households and individuals;
- a shift from a food-first perspective to a livelihood perspective, which focuses not only on the production of food but also on the ability of households and individuals to procure the additional food they require for an adequate diet;
- a shift from a materialist perspective on food pro-

duction to a social perspective, which focuses on the enhancement of people's capacities to secure their own livelihoods (adapted from Maxwell 1996).

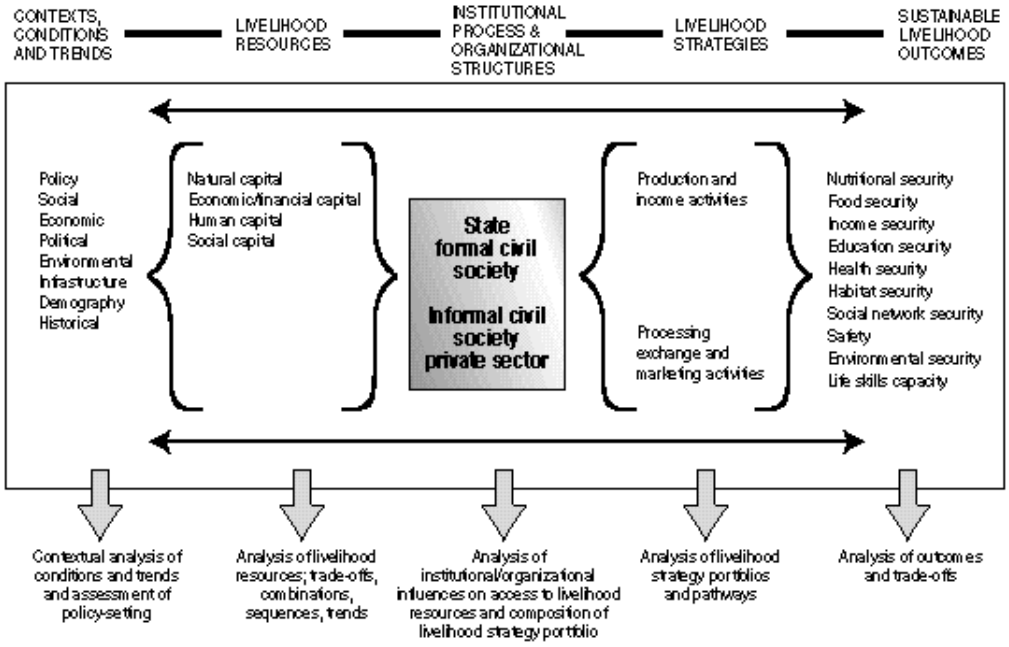
Definition of livelihood security and the underlying principles

Many of the definitions of livelihood security currently in use derive from the work of Chambers & Conway (1992). Alivelihood "comprises the capabilities, assets (stores, resources, claims, and access) and activities required for a means of living; a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation" (Chambers & Conway 1992).

Household livelihood security has been defined as adequate and sustainable access to income and resources to meet basic needs (including adequate access to food, potable water, health facilities, educational opportunities, housing and time for community participation and social integration) (Frankenberger 1996). An attempt is now being made in CARE's work to shift to more rights-based approaches, which place more emphasis on access issues and the policy environment and which treat people more as active beings[1] (see Figure 1). Livelihoods can be made up of a range of on-farm and off-farm activities that together provide a variety of procurement strategies for food and cash. Thus, each household can have several possible sources of entitlement, which constitute its livelihood. These entitlements are based on the endowments that a household has and its position in the legal, political and social fabric of society (Drinkwater & McEwan 1992). The risk of livelihood failure determines the level of vulnerability of a household to income, food, health and nutritional insecurity. The greater the share of resources devoted to food and health service acquisition, the higher the vulnerability of a household to food and nutritional insecurity. Therefore, livelihoods are secure when households have secure ownership of or access to resources (both tangible and intangible) and income-earning activities, including reserves and assets, to offset risks, ease shocks and meet contingencies (Chambers 1988). Households have secure livelihoods when they are able to acquire, protect, develop, utilize, exchange and benefit from assets and resources (Ghanim 2000).

The idea of household livelihood security as defined above embodies three fundamental attributes: (1) the possession of human capabilities (e.g. education, skills, health, psychological orientation); (2) access to other tangible and intangible assets (social, natural, and economic capital); and (3) the existence of economic activities (Drinkwater & Rusinow 1999). The interaction among these attributes defines what livelihood strategy a household pursues and is thus central to CARE's household livelihood security model.

FIGURE 2:
Household livelihood security: a framework for analysis



Source: Modified from Scoones, 1998

CARE fully recognizes that its partners (donors, host government counterparts and local civil-society- and community-based groups) may be using or adhering to different development approaches (models or frameworks). While its language and content may differ to varying degrees, CARE believes that the HLS framework is compatible with other development approaches because of the principles that underscore it (Beckwith 2000). These include:

- conducting a holistic analysis to inform decisions;
- engaging the active participation of target populations throughout the project cycle;
- targeting impact change at the household level;
- employing focused programming interventions to build complementarity, synergy and leveraging;
- establishing coherent information systems;
- undertaking ongoing reflective practice;
- facilitating flexibility in terms of project entry points and aligning interventions with root causes over time.

In its simplest form, livelihood security is the ability of a household to meet its basic needs (or realize its basic rights). These needs include adequate food, health, shelter, minimal levels of income, basic education and community participation. If any of these basic needs is not met, CARE considers that household to be living in absolute poverty (Frankenberger 1996). However, simply satisfying people's basic needs is not adequate to ensure that those people can rise above and stay above absolute poverty (Beckwith 2000).

For CARE, sustaining livelihood security depends on a number of enabling conditions being in place. These include human rights recognition, civil participation/action, risk management, an enabling policy environment, gender equity and environmental stewardship. By contributing to the establishment of this enabling environment, CARE hopes to assist people in meeting their basic needs on a sustained basis. CARE believes that these elements are the underpinnings of its vision, " … a world of hope, tolerance and social justice, where poverty has been overcome and people live in dignity and security".

Putting theory into practice – dissemination and decentralization

CARE has faced a number of challenges in trying to institutionalize a livelihood approach. This transition has resulted in enormous debate and feedback from the field as country offices have tried to operationalize the concept.

The household livelihood security concept was first introduced in 1994 by the Food Security Unit at CARE's headquarters. Using design opportunities presented by the development of new United States Agency for International Development (USAID) Title II-funded programmes and other donor resources, an attempt was made to use a holistic diagnostic approach in the designing of livelihood security programmes. Since then, multisectoral teams have conducted rapid or participatory livelihood security assessments in countries as many and as diverse as Afghanistan, Angola, Azerbaijan, Bangladesh, Benin, Bolivia, El Salvador, Ethiopia, Georgia, Guatemala, Haiti, Honduras, India, Madagascar, Malawi, Mali, Mozambique, Nepal, Nicaragua, Niger, Rwanda, Somalia, Sri Lanka, Sudan, Tajikistan, Tanzania, Togo, Zambia, and Zimbabwe.

After the first wave of assessments was carried out in 1995-1996, many country offices became interested in the approach, although the assessment methodology at that stage was viewed as being too expensive and extractive. Tensions were also created when some country offices felt that the framework was being imposed on them from headquarters. Confusion existed as to the objectives of these assessments, and whether the HLS approach was simply an assessment methodology or a whole project process framework.

Numerous reflective discussions and workshops were held in each of the regions that focused on the lessons learned from the application of HLS diagnostic tools. This enabled each region and country office to adopt its own context-relevant approach for implementing a livelihood security framework. Many countries opted for smaller assessments that were more participatory and less quantitative. The challenge has been to allow for this flexibility and creativity and at the same time ensure that country offices are adhering to bottom-line principles (these are discussed later).

Similarly, at headquarters many of the sector specialists also felt that the livelihood framework was being imposed on them by senior management. This created some resistance to its adoption. Much of this resistance could have been avoided through a more inclusive process in the beginning.

In some countries, the donors were not very receptive to holistic design processes, particularly if they had had a sector bias in funding. For example, CARE India and CARE Bolivia had some difficulty convincing their major donor that holistic assessments and multisectoral designs were appropriate. Changes in staff and programming direction within the donor organization allowed for the more holistic programming to be brought in later. In Nepal, holistic pro-

gramming was achieved by having different donors fund different sectoral activities targeted to the same remote areas. There is still some concern among some donors as to the compatibility of sector-wide approaches and livelihood approaches.

Sector biases of government ministries with whom CARE is aligned also can present difficulties in cross-sectoral programming. For example, in India, CARE works with the ministry that oversees the Integrated Child Development Services (ICDS) safety net programme. This ministry does not deal with agricultural development. If CARE wants to expand its activities into improving agricultural productivity of the poor, it will have to align itself with a different part of the Indian Government. Such agreements are not always easy to establish.

In the beginning, many of the interventions that were implemented were along traditional lines. More recently, CARE country offices have tried to take into consideration other cross-cutting social and political issues that have been hindering the poor from achieving livelihood security. Policy advocacy and rights-based approaches are now starting to be integrated into programming activities. Such programming changes demonstrate CARE's recognition that poverty is not only a matter of inadequate access to income, food and services, but fundamentally a social and political issue too.

One key question that continues to be asked by some CARE staff is: What are we really gaining through the application of a livelihood security approach? The responses that have come back from the field with regard to the value added by this approach include that HLS:

- improves CARE's ability to truly target the poor and vulnerable households in programmes yet builds on households'existing abilities and activities rather than their resource needs;
- is dynamic and ensures that needs and opportunities addressed in project activities are those that centrally address prioritized household livelihood security concerns;
- provides a useful link between CARE's emergency relief and development programmes (all households encounter shocks and stresses);
- is equally applicable in urban and rural settings;
- assists country offices in achieving complementary relationships between projects with the same geographical coverage (including projects and programmes of other partners and governments);
- generates coherency in country office information systems;
- provides a clear conceptual focus for building partnerships to address poverty alleviation (including community institutions);
- results in poor households and communities'being able to show definable improvements in their livelihoods (Drinkwater & Rusinow 1999).

SECTION II. OPERATIONALIZING THE HOUSEHOLD LIVELIHOOD SECURITY FRAMEWORK

At all levels of programmatic decision-making, the HLS framework is CARE's point of departure (see Figure 2). The various lenses embedded within the livelihood framework assist CARE in its analysis of a given situation or geographical area, whether it is working at the strategic, regional, programme, project or sector level.

Creating livelihood security profiles

Livelihood profiles are derived for a country or region through analytical lenses that are clustered under the following categories: contexts, conditions and trends; livelihood resources (economic, natural, human and social capital); institutional processes and organizational structures (government, civil society and private sector); livelihood strategies (productive and exchange activities); and livelihood outcomes (e.g. nutritional security, food security, health security, habitat security, education security, income security, social network security, safety and environmental security).

Context, conditions and trends. A holistic analysis of livelihood security begins with understanding the context for any given population. To understand the macro-level factors that influence the range of possibilities for livelihood systems, we must consider the social, economic, political, environmental, demographic, historical, and infrastructural information. It is this information that sets the parameters within which livelihood strategies operate. To reduce costs, this information is primarily derived from secondary data.

Livelihood resources. Households have access both to tangible and to intangible assets that allow them to meet their needs. *Natural capital* consists of natural resource stocks from which resource flows that are useful for livelihoods (e.g. land, water, wildlife, biodiversity and environmental resources) are derived. *Social capital* is the quantity and quality of social resources (e.g. networks, membership in groups, social relations and access to wider institutions in

society) upon which people draw in their pursuit of livelihoods and as safety net mechanisms for meeting shortfalls in consumption needs. The quality of the networks is determined by the level of trust and shared norms that exist among network members. People use these networks to reduce risks, access services, protect themselves from deprivation and acquire information to lower transaction costs. *Human capital* consists of skills, knowledge, good health and the ability to labour, which are important for the pursuit of livelihood strategies. *Economic capital* is the productive resources and stores (e.g. savings, credit, remittances, pensions), basic infrastructure (e.g. transport, shelter, energy, communications and water systems), production equipment and other means that enable people to pursue their livelihoods.

In an analysis of these resources, it is important to take into account the combinations necessary for sustainable livelihoods, the trade-offs that exist between resources, the sequences that may exist between them (i.e. which resources are prerequisite for others) and the long-term trends in their use (adapted from Scoones 1998).

Institutional process and organizational structures. A number of institutions operate in the community milieu that influence livelihood outcomes. The State not only provides services but also offers safety nets, changes policies and limits freedoms that can have positive or adverse effects on livelihood systems. Similarly, formal civil-society organizations (NGOs, CBOs, parastatals, cooperatives, churches) can provide enabling conditions or constrain opportunities for households. Informal civil society (e.g. informal community networks) consists of the web of networks to which individuals and households belong. These networks can have positive or negative influences on the livelihood strategies that people pursue. The private sector can also create or limit households' opportunities. In the formulation of any sustainable interventions it is important to take these various institutions into account.

Livelihood security strategies. Households combine their livelihood resources within the limits of their context and use their institutional connections to pursue a number of different livelihood strategies. Such strategies can include various types of production and income-generating activities (e.g. agricultural production, off-farm employment, formal sector employment) or a combination of the two. An HLS analysis should determine the livelihood strategy portfolios that different households pursue and the historical pathways they have taken.

Livelihood security outcomes. To determine whether or not households are successful in pursuing their livelihood strategies, it is important to look at a number of outcome measures that capture need or well-being satisfaction. Nutritional status is often considered one of the best outcome indicators for overall livelihood security since it captures multiple dimensions, such as access to food, health care and education. Other livelihood outcomes that should be measured include sustained access to food, education, health, habitat, social network participation, physical safety, environmental protection and life skills capacities. Analysis of these outcomes should determine not only what needs are currently not being met but also what trade-offs there are between needs. In addition, such an analysis should help determine the synergistic relationships among these outcome measures.

In addition to these standardized measures, attempts are made to derive from the community the criteria they use for determining livelihood improvement. These measures are often location specific. Every effort is made to establish community-based monitoring systems to enable the community to track improvements themselves.

CARE is currently trying to establish these livelihood profiles during the long-range strategic planning process for each region in which it operates (e.g. Bolivia) or in analytical work conducted as part of a programme design exercise. This ensures that a more holistic perspective is taken in any project design for that region, even if a short time horizon is provided for the development of a particular proposal for a donor. This will allow CARE to take a more holistic perspective in any project design for a given region, even if it is given an extremely short time horizon to develop a proposal for a donor. These profiles would be periodically updated as new information comes in from projects. The framework provides a way to organize that information.

Working with partners

A further area of increased exploration within the context of CARE's work in recent years is the generation of a growing range and intensity of operational relationships with other organizations. Gone are the days when CARE saw itself primarily as an organization responsible for the direct delivery of goods and ser-

vices to those affected by emergencies, and to the poor and vulnerable in general. There are multiple reasons for this, but some of the pre-eminent ones are:

- CARE increasingly sees its role in programming as one of experimenting with innovative approaches, developing new models from these, and then seeking their wider replication.
- The replication, scale-up and spread of programmes, in order to achieve a more widespread impact, all require the influence and cooperation of a wide range of other agencies.
- The achievement of real and lasting benefits to livelihoods is not something that can be easily achieved by one agency operating alone. It requires the building of new and innovative partnerships, which include government, civil society, the private sector and donor agencies.

These factors in particular have caused CARE to see its international responsibility increasingly in terms of seeking to influence and, in return, learn from and collaborate with a growing number of agencies of different types and hues. This role is being played out at all the levels at which CARE operates: internationally, regionally, nationally and more locally within country contexts. New programme approaches with an increased emphasis on partnership and multi-agency collaboration are being generated, with CARE's role often being to facilitate the creation of linkages between community-based and other CSO actors, government and private-sector agencies who have not worked together previously.

From CARE's perspective, partnerships are defined as "mutually beneficial alliances of diverse types between organizations where roles, responsibilities and accountabilities are clearly defined. Partnerships facilitate continuous two-way learning and are based on trust, shared vision and commitment to common objects. Partnership is a means to achieve improved quality of life for more beneficiaries through sustainable service delivery, better responsiveness to local development needs, and increased scale and scope of programmes".

In terms of vision, "CARE will strive to be a reliable and trusted partner with an enhanced reputation and ability to improve the livelihood security of poor households through a diverse dynamic network of partners. In every intervention, CARE will explore linkages that reach greater numbers of people, alleviate poverty and save more lives" (Beckwith 2000).

The major objectives for CARE's partnering are to:

- ensure sustainable service delivery capacity;
- expand the scope and scale of programming;
- increase impact.

The major partnership principles advocated by CARE are to:

- weave a fabric of sustainability;
- acknowledge interdependence;
- build trust;
- find shared vision, goals, values and interests;
- honour the range of resources;
- generate a culture of mutual support;
- find opportunities for creative synergy;
- address relationship difficulties as they occur;
- see partnering as a continuous learning process.

One example of such partnership relationships is the Strengthening Capacities for Transforming Relationships and Exercising Rights (SCAPE) project in South Africa. South Africa is a country of multiple institutions that often have limited capacity and limited scope to their activities. This applies to many parts of the country's complex and cumbersome three-tiered government structure, as well as to civil society. Both are struggling to adapt to the changes wrought by the coming of a democratic government and society in 1994, which has resulted in a process whereby the country's non-white population has gained rights it previously lacked, but where old attitudes and practices hinder the evolution of more empowering development approaches. This has created a situation that does not enable people to gain the confidence and understanding of how to exercise their new rights so as to benefit their livelihoods. This applies equally to local communities, to civil-society organizations working with them and to local government, all of which retain an expectation that resources and solutions will be provided centrally. Accordingly, over the space of two years, the CARE South Africa office has been developing and piloting a programme in which it works with multiple partners in transforming the horizontal and vertical relationships that affect the nature and effectiveness of local development policies.

More commonly in CARE now, many country offices are working in partnership with municipal governments. For example, in Latin America, both CARE Bolivia and CARE Honduras have been working with municipal governments in their project areas, focusing on strengthening planning and service delivery. A recent evaluation of the programme in Bolivia found that municipal partners were extremely effective institutions for promoting HLS programming.

This is because these institutions are holistic in their service delivery. Similarly, in southern Africa, urban livelihood programmes have established successful partnerships with municipal authorities in Angola, Madagascar, Mozambique and Zambia.

Strengthening civil society

Much of CARE's partnership efforts involve working with civil-society groups. This is illustrated by the agency's work with local NGOs in Somalia and South Africa and with community-based organizations in Mali and Zambia. In its most tangible form, civil society is defined by CARE as the range of institutions and organizations that represent individual citizens or that provide people the means by which to connect themselves collectively to government or the private sector. Civic action is the dynamic and collaborative relationship among citizens, government and the private sector that contributes to the well-being of individual citizens. For CARE, a strong civil society means the ensuring of a dynamic and beneficial relationship between the institutions and organizations that represent government, the private sector and civic groups. CARE's civil society strengthening efforts include: (1) building organizational capacity and strengthening institutions; (2) supporting mechanisms for dialogue and advocacy among the three sectors of society; (3) increasing the effectiveness and synergy among these institutions for the benefit of individual citizens; and (4) promoting the inclusion of the poor, disenfranchised and marginalized citizens in the enjoyment of benefits derived from civic action (Beckwith 2000).

Strengthening civic action to promote household livelihood security involves strengthening government, the private sector and civic groups in order to help the poor reduce risk, improve access to services and lower transaction costs. Institutional analyses carried out in programme design should help determine

FIGURE 3:
Diagnosis decision tree

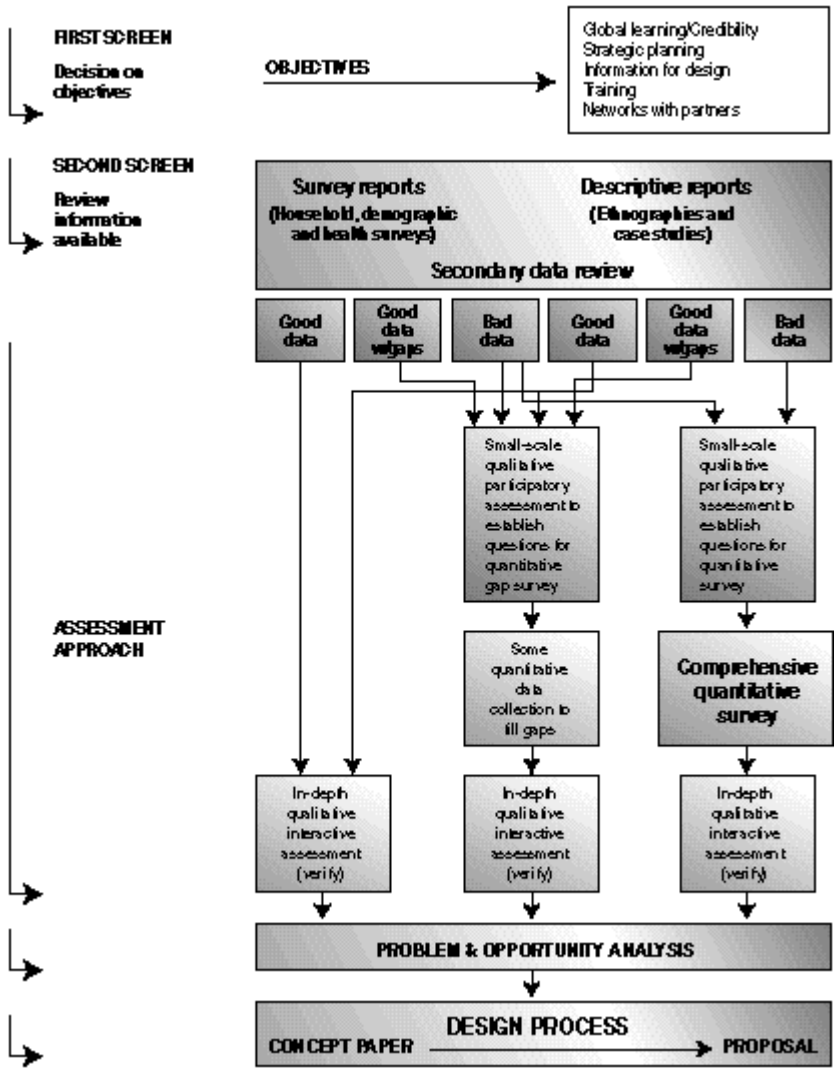


TABLE 1

Household livelihood security analytical framework for programme design, implementation and evaluation

Descriptive information	Analytical information	Design & implementation	Impact measurement
Contextual information	***Understanding vulnerability risk factors***	***Design***	***Programme outcomes***
• Physical and environmental information	(seasonal/long-term)	• Identification of key problems and opportunities	• Formal impact – M&E system
• Key features and trends - Social - Economic - Ecological	- Ecological - Economic - Social - Political	• Priorities established (leverage points)	• Impact measured by goal indicators based on norms against baseline
• Institutional information	• Coping/adaptive strategies	• Identification of strategies and linkages	• Annual trends monitoring and use for management purposes
Community level	• Trends in livelihood strategies	• Validation with community	***Unanticipated outcomes***
• Social differentiation	• Internal household dynamics	• Finalize design	• Positive- and negative-generated programme, measured by community monitoring system
• Socio-political info	• Key external relations that affect HLS outcomes - Role of social networks - Role of institutions - Intra/intercommunity dynamics	***Implementation***	
• Institutional info	***Analysing vulnerability***	• Finalize programme design with community	
• Spatial info	• Individual vulnerability	• Conduct baseline	
• Sources of livelihood	• Household vulnerability	• Establish monitoring system to capture empowerment changes, livelihood and contextual changes	
Household level	• Community vulnerability	• Programme adjustments made on the basis of monitoring information	
• Household characteristics	***Opportunity analysis***		
• Norms	• Positive responses of households		
• Current status of livelihood security outcomes	• CBO/NGOs with effective programmes		
• Assets	• Government initiatives		
• Resources	• Policy environment		
• Economic activities	• Collaborative organizations		
Intrahousehold			
• Gender			
• Generational			

the weak institutions that need to be strengthened. To be effective, each sector must be able to manage risk as well as perform the complementary functions it is supposed to perform during non-crisis years. Risk management is one aspect that has not been taken into account in most CARE institutional assessments.

Long-range strategic planning

Long-range strategic planning (LRSP) exercises have been carried out for every country in which CARE works. These exercises are normally developed for a five-year period, unless a given country is under emergency conditions, which entails shorter planning horizons (often of two years). The HLS framework has been used in this planning process for organizing data on vulnerable groups in different geographical areas; causal explanations regarding shocks, trends and processes; macro-micro linkages that are key to understanding the programming areas; and institutions with which CARE will create alliances within programme implementations. The trend over the last couple of years has been to move from descriptive and impressionistic summaries to analytical processes and syntheses of priorities. The LRSP helps the country office align its programming where the need is great, where the potential for partnering with local institutions is high and where CARE has a comparative advantage. Secondary data are primarily used in this planning process.

Within the Latin America region, CARE Guatemala used the HLS framework in crafting its 1998-2002 Long Range Strategic Plan. Similarly, Haiti, Honduras and El Salvador modified their information-gathering and analysis using an HLS framework. As part of these planning processes, it was perceived by each of the country offices that certain structural adjustments would be required to implement HLS programming. Such structural changes included the creation of regional decentralized structures that would allow for multisectoral programming within a given geographical area.

After reviewing the lessons learned from these structural changes, country offices in Latin America are now realizing that structural changes do not nec-

essarily lead to better HLS programming. HLS programming does not always favour one type of structure over another. Centralized sector-based structures and regional structures both can promote coherent HLS programming. What is important is to use the HLS framework to target CARE's interventions more effectively in order to achieve leverage, synergy and cost efficiencies. A variety of team management styles can be put together to achieve these objectives. One of the key bottlenecks facing most country offices in implementing HLS programming is their having sufficient technical expertise both to service specific geographical area demands and to establish a significant level of consistency across geographical areas regarding programming approaches and methodologies (Beckwith 1999).

Another area of concern expressed by country offices is that they are tending to grow in geographical scope and complexity vis-à-vis multisectoral programming wherever they operate. Application of the HLS framework should help them clarify their rationale for working in specific geographical areas and, hence, consolidate their portfolio and promote more focused targeting of interventions (Beckwith 1999). When programmatic decisions are not focused through the use of the framework, a less strategic growth of programmes can put considerable strain on staff and management.

Diagnosis leading to design

The need for holistic analysis as a basis for a livelihood approach often engenders nervousness in programme staff, who fear that it implies a lengthy, in-depth and complex process (Drinkwater & Rusinow 1999). Alternatively, the livelihood analysis might take on a life of its own; indeed it may become an end in itself. Both of these dangers can and should be avoided, as it is critical to minimize gaps between the analysis and design stage as well as avoid unnecessary data collection and maintain an interactive relationship with stakeholders (Drinkwater & Rusinow 1999).

A wide range of tools can be used – from a quick situational analysis to an in-depth or geographical-wide analysis of livelihoods – to determine the causes of vulnerability and the extent of poverty. The key is to ensure that emphasis is placed on gaining a multi-dimensional view of livelihoods that allows for the identification of the most vulnerable households, and on placing people's priorities and aspirations for improving their livelihoods firmly at the centre of the analytical and planning process (Drinkwater & Rusinow 1999).

Over the past five years, rapid or participatory livelihood security assessments (RLSAs or PLSAs) have become major tools for the collection and analysis of this type of information and, therefore, a major means of operationalizing an HLS approach. The main purpose of these participatory assessments is to understand the nature of livelihood strategies of different categories of households (social differentiation), their levels of livelihood security and the principal constraints and opportunities to address through programming. This information is also disaggregated by gender and generation. Therefore, a good holistic analysis would develop an understanding of livelihoods that was contextual, differentiated and disaggregated. The methods used often focus on visualizing information, with community members involved as much as possible in documenting information. Outputs from such assessments at a minimum include the identification of the risk factors facing households, the key location-specific criteria for differentiating wealth categories of households and the key leverage points and opportunities to pursue in future programming.

In terms of the distinction between methodologies, with a maximum of two days spent per site or area, rapid assessments usually achieve a broader scan over a wider area where little secondary data exists and where a major shock or rapid change has occurred. Participatory assessments offer a more in-depth analysis of fewer communities and are usually undertaken where some of decisions about the likely geographical location of any ensuing programme activities have already been made.

Objectives and information requirements. The most common objective of livelihood security assessments (LSAs) is to acquire information for the design of programmes. However, most LSAs have multiple objectives. One objective may be global learning to gain institutional credibility in an area where there is little or no previous experience, or to get information for strategic planning to improve the allocation of scarce programme resources over multiple, competing demands. Building the analytical capacity of staff and

[2] P. O'Brien.1999.Benefits-harms handbook, Nairobi.CARE East Africa.

TABLE 2

Sources of risk to household livelihood security

Sources of livelihood	Environmental risk	Social risk		Economic risk	Conflict
		State	*Community*		
Human capital					
Labour power, education, health	Disease epidemics (malaria, cholera, dysentery) due to poor sanitary conditions, AIDS	Declining public health expenditures, user charges, declining education expenditures	Breakdown in community support of social services	Privatization of social services, reduction in labour opportunities	Conflict destroys social infrastructure, mobility restrictions
Financial and natural capital					
Productive resources (land, machinery, tools, animals, housing, trees, wells, etc.), liquid capital resources (jewellery, granaries, small animals, savings)	Drought, flooding, land degradation, pests, animal disease	Land confiscation, insecure tenure rights, taxes, employment policies	Appropriation and loss of common property resources, increased theft	Price shocks, rapid inflation, food shortages	Conflict leads to loss of land, assets, and theft
Social capital					
Claims, kinship networks, safety nets, common property	Recurring environmental shocks breakdown ability to reciprocate;morbidity and mortality affect social capital	Reduction in safety net support (school feeding, supplementary feeding, FFW, etc.)	Breakdown of labour reciprocity, breakdown of sharing mechanisms, stricter loan requirements, lack of social cohesion	Shift to institutional forms of trust, stricter loan collateral requirements, migration for employment	Communities displaced by war; theft leads to breakdown in trust
Sources of income					
Productive activities, process and exchange activities, other sources of employment, seasonal migration	Seasonal climatic fluctuations affecting employment opportunities, drought, flooding, pests, animal disease, morbidity and mortality of income earners	Employment policies, declining subsidies or inputs, poor investment in infrastructure, taxes		Unemployment, falling real wages, price shocks	Marketing channels disrupted by war

partner organizations is often an objective, though rarely a primary one. Building partnership relationships is also a common secondary objective (Figure 3). An important consideration in setting objectives is whether programmes based on information gathered will be scaled up within the planning time horizon. How much primary information must be collected depends on the availability and quality of existing information. In general, the principle is to collect only as much primary information as is required that cannot be gathered from secondary sources (Figure 3).

The analytical framework generally defines the types of information required and includes qualitative descriptive information, quantitative descriptive information and analytical (or causal) information (see Table 1). The use of this framework has recently been applied in rural assessments in Malawi and Zimbabwe, and in urban assessments in Mozambique and Peru.

- *Qualitative descriptive information:* At the household level, the information primarily required includes the assets held by the household and how these are used to earn adequate income, how resources are allocated and the levels of critical outcomes achieved in terms of food security, nutrition and health status and access to other basic needs such as water, shelter and education. Assets include not only productive assets, such as land and livestock, or financial assets, such as savings or cash, but also the more intangible assets of labour, skills, capacity and the social relations that underpin livelihood activities. Important among these is the ability of some households to cope better than others with risk and crisis, what these abilities are, and how coping strategies work. At the intrahousehold level, it is important to consider gender and generationally differentiated roles and responsibilities, power relations and differential access to resources and opportunities. Livelihood systems must be understood at the community as well as the household level. Household-level outcomes have to be put in a com-

munity or broader social and political context, so general information on the social, political, and institutional environment is also a major requirement.

- *Quantitative descriptive information:* For geographic targeting, and for identifying vulnerable groups, quantitative indicators of household basic needs outcomes are required. These will include nutritional status information as well as information on health status, access to services, literacy levels, access to potable water, etc. Much of this information is obtained from secondary sources.

- *Analytical (causal) information:* For effective programme design, it is important to understand not only the current status of target groups but also the sources of vulnerability and the causal factors that lead to vulnerability.

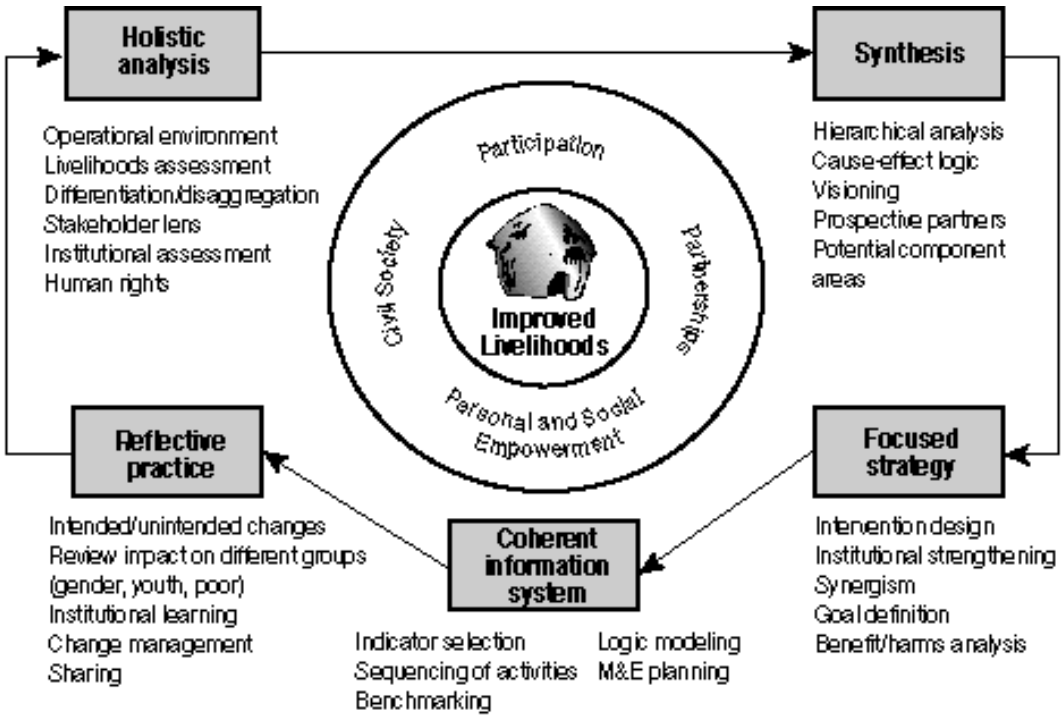
To understand vulnerability, it is important to take into account the shocks or risks to which households are exposed, their ability to cope with those shocks and their resilience to future shocks. To determine this vulnerability, risk factors can be grouped into those that are:

- environmentally based (e.g. floods, droughts);
- economically based (e.g. macroeconomic decline);
- socially based (e.g. breakdown of community management structures);
- politically based (e.g. government policies that adversely affect prices, tenure, service provision);
- conflict derived (e.g. ethnic rivalries, religious insurgency; see Table 2).

Once the risks have been taken into account, it is important to understand how households cope with or adapt to these shocks. On the basis of this analysis, it is possible to determine trends, livelihood strategies and changes that occur in internal household dynamics. It is important to determine also the role of social networks and institutions in adapting to and coping

[3] D. Maxwell, 1999, "Livelihoods and vulnerability: how different is the urban case?"Presented to 1999 Meeting of the Society for Applied Anthropology. Tucson, Ariz.

FIGURE 4:
CARE's design framework for livelihood projects



with these changes and to analyse the intra- and inter-community dynamics.

On this basis, we can determine vulnerability at the community, household and individual level. This analysis delineates the target populations that need to be focused on in future interventions.

- *Opportunity analysis:* In addition to analysing the problems, it is also important to take into account the opportunities that are available to communities, households and individuals within the programme setting. For example, many households devise positive responses to the constraints they face that could form the basis for intervention designs. This "positive defiance approach" derives from the health sector but is equally applicable in other sectors. Visioning exercises and appreciative inquiry approaches have also been used with communities to build on community strengths (South Africa, Zambia, Zimbabwe).

Opportunities may be derived also from the efforts of community-based organizations and local NGOs. Such groups may be operating effective programmes that address the constraints that future projects can build upon. In support of these opportunities, enabling conditions at the policy level may exist through changes promoted by the government. Finally, a coalition of organizations can collaborate in a complementary way to solve multiple problems simultaneously.

- *Design:* Taking this holistic diagnosis into account and the problems and opportunities identified, an analysis takes place that establishes the key leverage points that will bring about the greatest impact. Once these leverage points have been identified, they are submitted to a series of screens to determine the feasibility of designing a project around them. These screens can include community validation, a review of CARE's comparative advantage, donor priorities and government priorities. The leverage points that pass through the screens will be the intervention themes around which the finalization of the design will be derived. This design process goes into much more depth of analysis around the specific themes chosen.

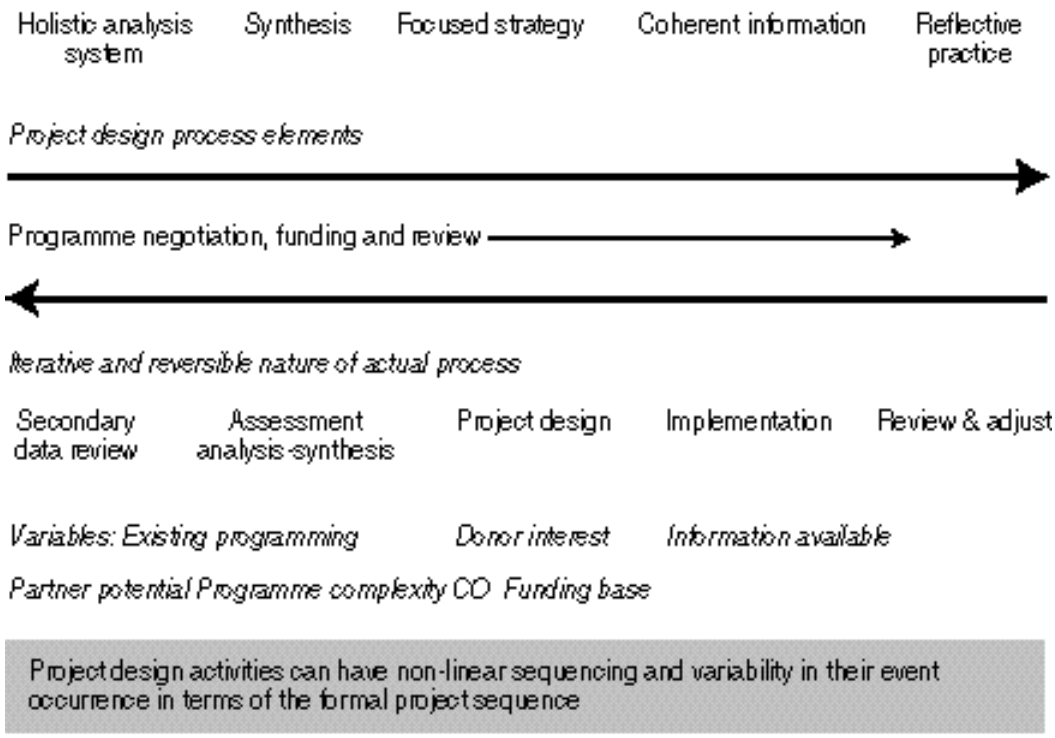
- *Implementation:* The project design and any subsequent adjustments have to be further refined with the community before beginning implementation. Participatory design processes are usually carried out at this stage. Once finalized, a baseline is conducted on the outcome indicators that will be measured for project impact. Monitoring systems will also be established to capture project outputs, livelihood and contextual changes and community perceptions of project success. In some countries, CARE country offices have established longitudinal cohort studies to monitor livelihood changes brought about by the project (Mali, Zambia). Programme adjustments should be made on the basis of this monitoring information.

- *Capturing programme outcomes through monitoring and evaluation systems:* Formal impact M&E systems are designed as part of the project to measure changes that have occurred over the life of the project since the baseline. The M&E system will measure impact by objectively verifiable indicators based on norms against the baseline. A menu of indicator options has been devised to be used for different sector interventions (CARE 1999). To capture the synergistic effects of any intervention, this list of options can be used for selecting possible indicators. The problem analysis should indicate what the true cross-sector links are likely to be to determine the minimum number of indicators to measure.

Impact indicators can be derived from normative standards or relative standards based on community criteria. These may not be mutually exclusive. Normative indicators allow for the comparison of one village or region with another with regard to a set of measures of poverty or well-being. This type of information is important for targeting, resource allocation and exit strategies. Relative measures or community-derived criteria can be context or location specific. These types of indicators are critical for measuring impact from the perspective of individual communities but they may not be suitable for cross-project or cross-regional comparisons. Both types of indicators are critical for impact evaluation and should be used in an M&E system.

- *Understanding impact on social change:* It is impossible to determine beforehand all of the positive and negative outcomes that may be generated by a project and the impact that it has on people's lives. To ensure that the nature of this impact and the lessons learned from it are captured from project implementation, steps should be taken in the M&E design to monitor outside the framework of the log frame. Some of this

FIGURE 5:
Sequencing of project events



information will be identified through community monitoring systems, particularly for instance the differential benefits accruing to or the effects on men, women, children, youth and the elderl, and should be used for making appropriate programme adjustments.

In addition to capturing unintended effects after the fact through participatory monitoring and evaluation, CARE has begun to put much more emphasis on predicting – and mitigating – unintended effects through better programme design. Growing out of the desire, particularly in emergencies, to "do no harm", CARE has developed over the past year a set of tools intended to enable it to conduct a benefits/harms analysis prior to beginning an intervention.[2] Similarly, the organization is also improving its gender analysis methodologies.

The HLS approach permits CARE to plan for and build on positive cross-sectoral impacts. The benefits/harms tools are intended to predict, minimize and mitigate cross-sectoral negative impacts. Under an emergency circumstance, for example, a food project may create dependency and undermine self-reliance, or it may make people targets for raiding. The benefits/harms analysis permits consideration of the overall impact of interventions – both within the sector of focus and beyond.

The framework organizes cross-sectoral impacts into five categories, and analyzes the different reasons for cross-sectoral impacts. The five categories include:

- *social/cultural:* the clientele of a programme, where they are from, what they think of themselves, and how they relate to one another;
- *political:* how people participate politically and what their relationship is to the controlling authorities;
- *personal security and freedom:* how interventions either weaken or strengthen the possibility of violence or physical oppression by one individual or group against another;
- *institutional capacity:* how an intervention supports the goal of helping the local community help themselves;
- *basic needs (HLS impacts):* the negative impacts that an intervention in one of the key household livelihood security areas has in another area or sector. (Does the intervention permit people to live with dignity even with respect to the areas in which positive impacts are expected?).

CARE's Benefits-harms handbook, developed in

East Africa, offers three different types of tools:

- *Profile tools* aim to help users refine their understanding of the contexts in which CARE works or plans to work.
- *Impact tools* aim to help users consider the cross-sectoral benefits and harms of projects.
- *Decision tools* aim to help users evaluate the information from the profile and impact tools and choose a course of action.

Lessons learned from livelihood security assessments (LSAs)

Over the past five years, about 30 major LSAs, as well as a number of more limited exercises (where, for example, a secondary review and limited field information collection sufficed to fulfil the objectives of the exercise), have been carried out by CARE worldwide. A few of the salient lessons learned include:

- Because the HLS approach was originally operationalized through building LSAs into the beginning of programme design, many country offices and staff got the message that if the programme were not preceded by an assessment, it would be impossible to take an "HLS" approach. Therefore relatively less experience has been gained organization-wide over the past five years with "retrofitting" an HLS approach. A rapid or participatory livelihood security assessment diagnosis is an extremely useful tool for programme design or the other potential objectives mentioned above, but it is not a prerequisite for utilizing the HLS framework.
- It is critical first to assess existing information. Much investment has gone into re-collecting information that already existed in one form or another. Investment of quality staff time in conducting secondary reviews pays off heavily in terms of saving staff time and financial resources during fieldwork and helps to make fieldwork much more focused.
- Working with communities in a participatory manner is critical. The information generated by an assessment is only as good as the process of generating it. Poor community participation can almost guarantee poor programme design.
- While developed primarily under rural conditions, LSA methodology is equally applicable in urban areas, but there are some significant differences in approach.[3]
- LSAs are a tool, not an end in and of themselves.

The project design framework

Perhaps the largest challenge CARE has faced institutionally in operationalizing a livelihood security approach is developing a framework that is at once inclusive enough to facilitate natural variation in its application, depending on both the context and the programming instincts of those involved, and at the same time provides definite guidance on what are perceived as bottom-line principles.

CARE has evolved a key set of elements or principles of programme quality. These principles are illustrated in Figure 4. Several variations of this diagram have been produced over the last year, although the key elements are similar. That is, within CARE's design framework, a programme should contain a holistic analysis, a synthesis, a focused strategy, a coherent information system and reflective practice.

There are three important points to be noted about this design framework. The first is that it is a framework intended to improve the quality of CARE's programmes. Thus for instance, within the southern and West African regions, this diagram provides the central conceptual focus of current efforts across the region to improve programming. The variation of the diagram illustrated here was produced as the organizing focus of a regional design workshop held in January 2000, and is also being used as an organizing focus for the programme sections of the region's annual operating plan (AOP). This means that there is an increasing focus on programme development work in country offices in the region being organized around this framework.

The second point to be noted about this design framework is that although CARE is operationalizing it through the use of a livelihood security framework, this is not an inherent requirement of the framework. The importance of this is that other conceptual approaches can accordingly also be deployed in the practical use of the framework. This is partly shown by the reference to "participation", "partnerships" and "personal and social empowerment" in the second circle of the diagram. Emphases on all these aspects are features of most programmes in the region using a livelihoods framework, but these also bring their own conceptual and methodological tools into the design process, which often provide the "vehicle" within which the livelihood framework is deployed. Similarly, at an advocacy workshop organized in Sussex in October 1999, others in CARE showed how different analytical lenses – livelihoods, human rights, stakeholder, policy

analysis – could all be used in the context of the framework. For the livelihoods framework to be seen as inclusive in this way, enabling a variety of approaches to be evolved and utilized, it is critical to promoting a broad institutional practice of the framework.

This situation allows for the development of healthy organizational debate over the nature of the methodologies being used and what constitutes good practice in terms of conducting holistic analysis and synthesis, developing a focused strategy and coherent information system and being reflective in practice. The points noted under each element of the framework illustrate the developing practice. For example, it has already been stated that if an understanding of livelihoods is to be developed during a holistic analysis, there must be an analysis of context (how the household and community relate to the wider world), of the differentiated nature of livelihoods (livelihood categories) and of the disaggregated situations of different individuals within the household (gender and generational roles and issues). In addition, other analytical lenses are also commonly deployed: an understanding of different stakeholder perspectives is developed, an institutional assessment conducted and human rights issues explored either in conjunction with or separately from an examination of basic needs, and so on.

The third point to note about the framework is that it is both iterative and non-linear. There is a "to-ing" and "fro-ing" between the different elements of the framework, both before and after the project is for-

mally approved. For instance, a participatory livelihoods assessment exercise may be carried out, as part of the analysis stage, but may conclude with methods that lead into synthesis and strategy design. Similarly, some methods may also provide provisional ideas on livelihood indicators, which are then developed more fully during the strategy design and when the information system is being developed more fully during implementation.

An attempt to illustrate this is contained in Figure 5. The diagram also aims to show that the point at which the project is formally funded may fall at different times in the process, depending on the status of the factors in the "variables" list. Thus, for example, Mahavita, an urban livelihoods project in Antananarivo, Madagascar, was funded for five years after a relatively brief secondary review and participatory livelihood assessment exercise. As a result, a great deal more detailed analytical work was also conducted during the project's start-up phase. In contrast, other projects may require much more protracted negotiation work, and the process to proceed as far as the piloting of activities, before there is any guarantee of more secure funding.

Developing focused project and programme strategies

One of the key distinctions between a livelihoods approach and, for example, the integrated rural development programmes of a decade ago, is that in the livelihoods approach the holistic analysis should give rise to a focused strategy rather than to a broad range of inadequately linked activities. The synthesis stage of the analytical activities should be used to build hypotheses on what are likely to be the three or four major project components of "lines of action" that will have the greatest leverage or beneficial impact on improving livelihoods. Koos Neefjies of Oxfam labelled this the acupuncture approach, because "a good acupuncturist uses a holistic diagnosis of the patient followed by very specific treatment at key points. Holistic diagnosis does not mean needles everywhere!" (Ashley & Carney 1999, 17).

The types of projects developed at CARE using a livelihoods framework are diverse. Some are of a more multisectoral, or disciplinary, nature, but applying a livelihoods approach does not preclude projects being largely of a sectoral nature. What is important is that a holistic perspective is used in the design to ensure that cross-sectoral linkages are taken into account, and that the needs addressed in project activities are those that deal with the priority concerns of households and that build upon the experience and coping mechanisms they have evolved (Drinkwater & Rusinow 1999). Increasingly among some donors there is also expected an acceptable cost-benefit ratio of resource use, which again emphasizes the issue of key leverage points being identified, which can be expected to lead to the greatest beneficial impact on livelihoods, whatever the type of programme.

Using a livelihoods framework to redesign existing projects

CARE also has substantial experience in using a livelihoods framework to redesign or reorient existing project activities. There are several examples of this in the southern and West African regions. In all cases, the reorientation process requires a return to the analytical basis for the project or programme and reworking this using the livelihoods framework. In practice this usually means conducting some form of livelihood assessment, coupled with a reconsideration of secondary information and the contextual analysis. One example is the Training for Agricultural and Environmental Management (TEAM) project in Lesotho. Following a two-year pilot, which had not used an HLS approach, a redesign of the programme was carried out that was based largely on a series of village-level participatory livelihood assessments. All told, 46 of these were conducted, of which 3 contributed directly towards the redesign. The remainder were conducted after the funding of the new phase, in part with the intention that they form baseline exercises in the village. In addition, the new two-year phase had an action research component that provided a more in-depth understanding of livelihoods in three distinct village areas, and that also contributed to the design of the project information system. This action research component aided considerably the further modification of the programme at the conclusion of the second two-year pilot.

A second and more thorough illustration of the use of a livelihoods framework in redesign comes from Zimbabwe. In a process that is still ongoing, detailed participatory livelihood assessments were conducted in November 1999 at four sites in the Midlands and Masvingo Provinces. Three of these were areas in which CARE Zimbabwe was already operating, therefore the assessment methodology included visioning activities at both the community and the

[1] CARE East Africa, 1999, "Program guidelines for chronically vulnerable areas".

TABLE A

The traditional relief-to-development continuum

Short term	**Time frame** ⟷	*Long term*
Relief (Livelihood provisioning)	*Rehabilitation* (Livelihood protection)	*Development* (Livelihood promotion)
Examples of programme	***Examples of programme***	***Examples of programme***
• Safety and protection	• Provision of food until harvest	• Small enterprise development/credit
• Food and non-food distribution	• Distribution of seeds and tools	• Agricultural/natural resource development
• Emergency health	• Restocking of livestock herds	• Development of rural services
	• Restoration of services	
	• Restoration of infrastructure	

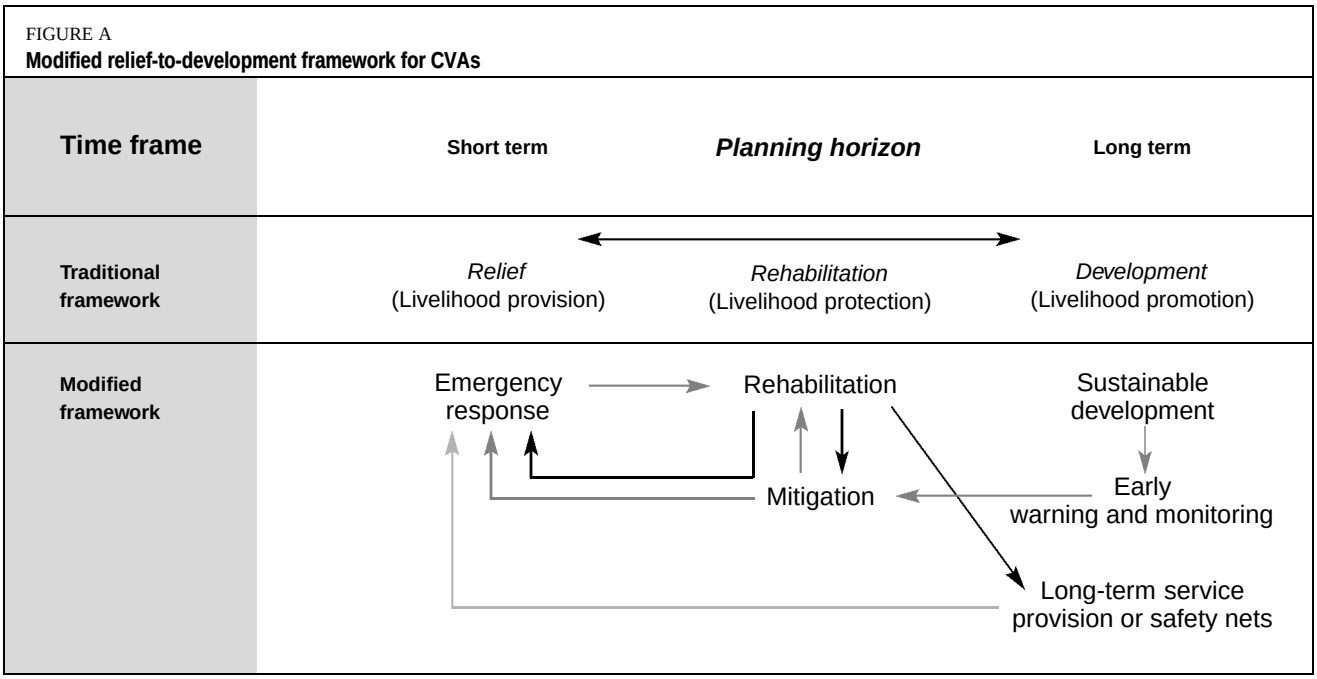
team level. At the community level, the aim was to generate ideas on what people saw as the main opportunities and priorities for improving their livelihood security. The team members were then able to use this information, together with their knowledge of the nature of the programme in each province, to produce ideas on how the programme might be more effective in its impact on livelihood security. The process produced consensus at the community and team level on a clear set of ideas, and the issues that would be inherent in their realization, for progress.

The assessment information is now being incorporated within a strategic follow-up process that seeks to improve the nature and effectiveness of existing project activities, develop synergies across these, build adherence to a common set of programming principles, provide a coherent basis for the development of further activities and, from the programme restructuring, lead to a complementary administrative restructuring of the sub-offices.

Reflective practice: achieving greater gender equity

One area that CARE has been seeking to incorporate more successfully into its livelihood framework is that of gender. Experience from some of CARE's projects in Zambia, which have been using a livelihoods framework since 1995, has shown that working towards achieving greater gender equity in the benefits of programmes is an especially difficult challenge. Dealing with the issue at all requires a project to have both a well-developed information system and the ability to engage in internal reflection and learning. In fact, the "reflective practice" element of the programme design framework was added during a work-

FIGURE A
Modified relief-to-development framework for CVAs



shop in which CARE Zambia staff discussed their experiences using HLS and gender frameworks, examining what the major programming issues were with regard to both, and how they could move forward more effectively with a better integrated "HLS + gender" approach.

Gender equity in CARE programming entails the condition of fairness in relations between men and women, leading to a situation in which each has equal status, rights, levels of responsibility and access to power and resources. Gender is considered different from sex, which describes the universal biological characteristics of men and women. Gender refers to the socialization process that assigns certain attitudes, roles and responsibilities to men and women, and results in different opportunities and behaviour for each. It is dynamic, varying within and among societies, and over time, and is influenced by cultural, economic, political and environmental factors. CARE seeks to ensure that change brought about by programmes responds to mutually agreeable standards of fairness of both women and men in their given contexts (Beckwith 2000).

Different from sameness, equity is based on the concept of what is just, and the premise that women and men, by virtue of their common humanity, deserve equal opportunities to define their paths in life. It does not prescribe a division of roles, nor does it ignore the fact that success will ultimately rest with the inspiration and efforts of each individual. CARE's focus on equity is a recognition that in much of the world, opportunities are not equal and the playing field is not level (Beckwith 2000).

SECTION III. CONCLUSIONS AND FUTURE DIRECTIONS

Household livelihood security continues to be the cornerstone framework that CARE uses to carry out its programming efforts. It is considered an organizing framework that is used systematically to inform decisions and as a desired end state or goal for CARE's programmes. The HLS framework enables a more holistic view of the world to inform CARE's programming decisions. The root causes of poverty can be understood more clearly, as can the opportunities and leverage points for positive change. Application of the livelihood framework should not be considered a linear process, but rather a flexible, dynamic and iterative process over time.

While HLS is predicated on taking a holistic view of a given situation, different entry points can be used for its application. In addition, taking a holistic view does not always mean undertaking multiple interventions. Ongoing sector-focused interventions may be modified or interrelated to incorporate a livelihood security perspective. Alternatively, a single-sector intervention may provide the key leverage activity in a given situation.

Over the past two years, CARE has identified several analytical lenses that have been incorporated into an HLS holistic analysis in order for the agency to understand better the root causes of poverty. These analytical lenses include basic needs, a human rights perspective, civil participation and action, gender and the policy environment. Numerous staff within CARE are now working on the tools and methods that will allow the country offices to incorporate these analyses in programme decision-making.

The broader and more in-depth understanding brought about by the application of these analytical lenses will expand CARE's programming choices regarding what is done, how it is done, who it is done with and who benefits. These analytical tools will contribute significantly to the future directions of CARE programming

In the end, the HLS framework is helping CARE make strategically focused choices about where to concentrate its limited resources and its comparative advantages in order to leverage the most positive and lasting change. It is through these efforts that CARE will continue to contribute to the global effort to end poverty.

Appendix 1

IMPLEMENTING HLS ACROSS THE RELIEF-TO-DEVELOPMENT CONTINUUM

While a livelihoods approach has generally been associated with long-term development programming, it has widely been applied by CARE in other contexts. In the 1990s, a framework for linking relief to development, the "relief-to-development continuum", was adopted into the thinking and planning of operational agencies. Linking relief to development (the two being viewed previously as separate and discrete activities) meant that if relief activities could be tied to developmental objectives, and if better-designed development programmes could protect people's assets more effectively and reduce the need for relief in response to shocks, then post-emergency recovery time would be reduced and long-term improvements would be more

sustainable. The framework also put greater emphasis on intermediate activities as a category of interventions in their own right, particularly rehabilitation. "Protecting livelihoods saves lives" is the theme (Maxwell & Buchanan-Smith 1994). This means that it is as important to understand livelihood systems in emergencies as it is in a longer-term development context, and even more so when attempting to protect people's assets in the face of impending disaster (mitigation) or assisting in the recovery of people's assets and livelihoods in the aftermath of disaster (rehabilitation).

Initially, the relief-to-development continuum was depicted as shown in Table A. In general, the perception was that over time, a programme should shift from left to right along the continuum, moving away from relief and toward long-term improvements. The continuum concept was based largely on experience with natural disasters, particularly slow-onset disasters such as drought, or where a disaster was a discrete event and did not recur. However, large geographic areas and the populations that inhabit them are increasingly threatened with recurrent disasters or chronic vulnerability. Practical experience with programming under these circumstances is that the relief-to-development continuum is anything but linear, and a programme often has to cycle back towards emergency response, or it gets "stuck" in permanent safety nets.

Under conditions of complex emergencies – given the drastically different basic causes of vulnerability – approaches to programming have likewise been different. Complex emergencies are characterized by the breakdown or "failure" of state structures; intercommunal violence; disputed legitimacy of authority (whether government or "rebel"); the potential for assistance to be misused or used to prolong or exacerbate the conflict; abuse of human rights; and the deliberate targeting of civilian populations by military forces (Borton 1998). The last is a major threat. The destruction of the livelihoods, assets and institutions of civilian populations is not always an unfortunate side-effect of complex emergencies but often the military objective.

Because of the differences in the basic causes of vulnerability, the difficult operating environment of chronically vulnerable areas and the chronic recurrence of emergencies in many of the areas in which CARE works in the East Africa region, CARE has developed a set of principles and guidelines for programming in chronically vulnerable areas.[1]

Chronically vulnerable areas (CVAs) are primarily defined as areas that experience recurrent shocks or emergencies of either natural or man-made origin or a combination of the two (droughts, floods and epidemics as well as conflicts or complex political emergencies). Vulnerability therefore arises from both natural and political causes. Vulnerability is classically defined as exposure to risk and stress, and the lack of ability to cope with the consequences of risk (Chambers 1988; Webb & Harinarayan 1999).

A more complex view of relationships in the relief-to-development continuum is depicted in Figure A, but even this table does not capture all the complexity of programming in CVAs. For example, several categories depicted are likely to happen simultaneously. In pre-crisis "normal" times, some amount of emergency preparedness may be part of programmes that are mostly aimed at promoting long-term development or improvements in capacities and assets. Promotion and protection of livelihoods may be possible under situations of "chronic" emergency as well.

A mix of all these may be required in the aftermath of a crisis. Dealing with the short-term impacts of crises and reducing long-term vulnerability are the ultimate objectives of a livelihoods approach to programming in chronically vulnerable areas. In addition to emergency preparedness and response, early warning, rehabilitation, mitigation and long-term development, the other critical programming factor for CVAs is how and when to transition between one activity and another.

The cost of operation will almost certainly be higher in chronically vulnerable areas, so it is critical to consider cost prior to deciding to begin programmes in such areas. Yet, increasingly, operational NGOs are pushed to begin programmes in these areas, as bilateral and multilateral lending programmes focus on high-potential areas where quicker gains can be made from development investments.

Livelihood promotion (sustainable development)

Livelihood promotion involves improving the resilience of household livelihoods to meet basic needs on a sustainable basis. Interventions of this type often aim to reduce the structural vulnerability of livelihood systems by focusing on: (1) improving production to stabilize yields through diversification into agro-ecologically appropriate crops, and through soil

[2] CARE East Africa, 1999, "Program considerations for rehabilitation", based on definition by P. Harvey,W. Campbell & S. Maxwell, 1997, Rehabilitation in the Greater Horn of Africa, November. Sussex, IDS, p. 1.

and water conservation measures (agriculture and natural resource-type measures) (e.g. Guatemala, Haiti, Honduras, Mozambique, Nepal, Peru); (2) creating alternative income-generating activities (small-enterprise activities) (Bolivia, Tanzania); (3) reinforcing coping strategies that are economically and environmentally sustainable (seasonably appropriate off-farm employment) (Sudan); (4) improving on-farm storage capacity to increase the availability of buffer stocks (Guatemala); and (5) improving common property management through community participation (e.g. Bangladesh, Nepal). Promotion-type interventions can also deal with meso-level development, where the linkages between food surplus areas and food deficit areas could be strengthened through investment in regional infrastructure and market organization (e.g. Sudan, Zimbabwe). Such interventions could help the terms of trade for the poor by improving local access to income, food availability and lowering food prices. In addition, livelihood promotion activities could focus on preventive measure that improve the health and sanitation conditions and population/resource balance to insure that any income and production gains are not lost to disease and unchecked population growth (e.g. Honduras, Guatemala) (Frankenberger 1996). Most of CARE's work involves promotion-type activities.

Livelihood protection (mitigation)

Mitigation is often linked with rehabilitation in the middle range of the relief-to-development continuum. However, mitigation is any kind of activity that prevents the erosion or destruction of assets in the face of an impending disaster or emergency (whereas rehabilitation is primarily about rebuilding in the aftermath of a disaster or emergency).

To be effective, mitigation must be linked closely with early warning systems on the one hand and emergency preparedness on the other. It is, in effect, the first step in emergency response. Acritical factor in the loss of productive assets is the lack of this link, and preventing the loss of assets (the entire range of assets, from human and social to economic and physical) is the operational objective of mitigation programming.

While protecting the capacity of vulnerable populations to be self-reliant is also a goal of mitigation, interventions depend on the type of emergency being faced. In complex political emergencies, livelihoods and assets may be deliberately destroyed by warring parties, and thus direct investment in assets would not only be lost but would actually make people more vulnerable. An analysis of the benefits and harms of any intervention is thus critical. Protecting access to resources, including food but also productive resources, is an important goal, not only for promoting self-reliance but also for preventing stress migration, which often totally isolates vulnerable groups, making them completely dependent on outside aid.

The range of activities considered mitigation includes:

- early warning (including assessment of political vulnerability) (e.g. Ethiopia, Somalia and Sudan);
- protection of productive assets (e.g. Ethiopia);
- livestock marketing or movement;
- livestock feeding or health;
- alternative asset-holding schemes (informal savings programmes) (e.g. Niger);
- distribution of drought-resistant seeds (e.g. Angola, Sudan);
- protecting/building community capacity (most CARE projects);
- keeping marketing channels open through funnelling assistance through markets (e.g. Zimbabwe);
- protecting human health (e.g. India);
- preventing stress migration (e.g. Sierra Leone);
- employment generation through food-for-work or cash-for-work programmes (e.g. Bangladesh, Ethiopia, Honduras, Malawi, Somalia, Sudan);
- use of cash or food as production incentives;
- emergency water supply (e.g. Ethiopia, Sudan);
- preventing environmental degradation/protecting access to natural resources (e.g. Bangladesh).

Livelihood provisioning (emergency response)

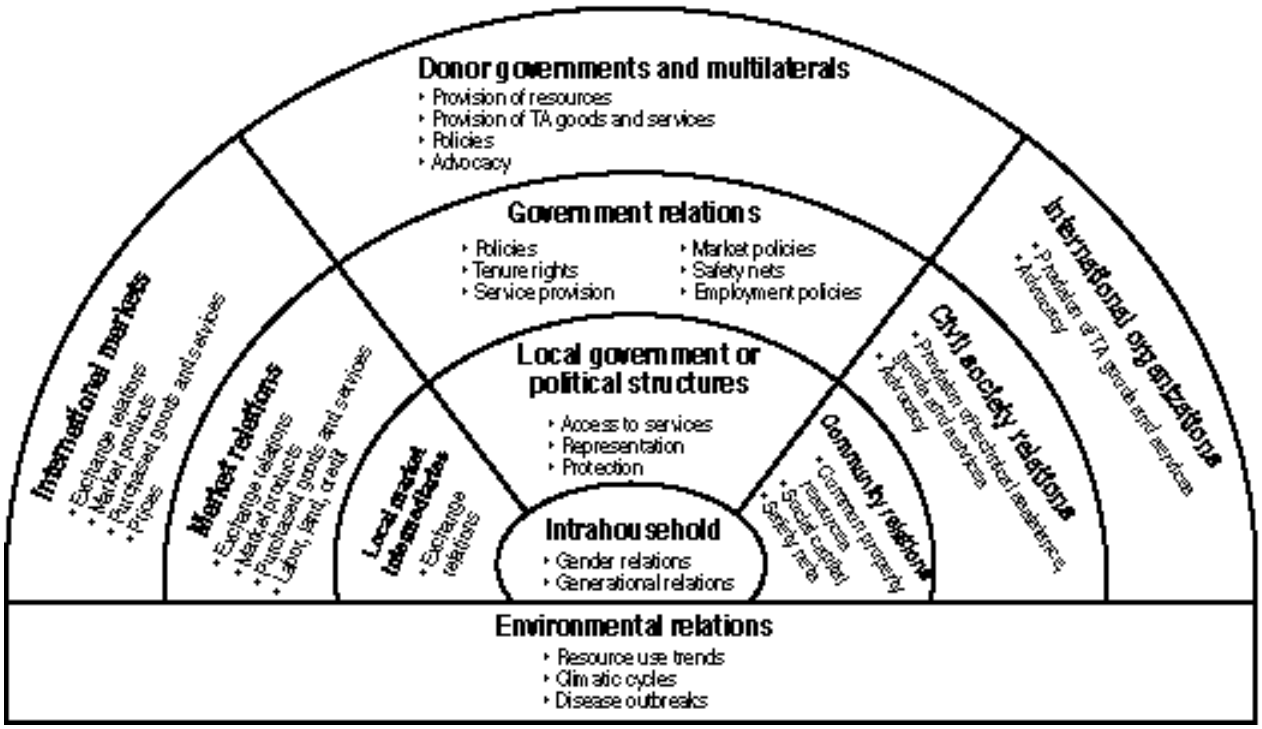
Livelihood provisioning is defined as any activity that saves human life and protects adequate health and nutritional status, addressing the immediate symptoms of livelihood insecurity.

Often the first operational issue in an emergency revolves around logistics and a supply line for providing life-supporting interventions. This will usually involve a food or nutritional security assessment, with appropriate interventions tailored to each assessment. In chronic or long-term emergency settings, the programmatic focus may turn over time to promoting some level of self-reliance.

In complex emergencies, civilian livelihoods and institutions are often targeted, and civilians (particularly refugees and internally displaced persons) may

[3] This figure builds on the work of Kirsten Johnson, CARE Bolivia.

FIGURE B
Internal and external relations that influence household livelihood security



be used as human shields, which makes protection a more crucial issue. The breakdown of state and civil-society institutions compounds problems of response in complex emergencies, and economic chaos is often a deliberate outcome. Lack of humanitarian access to refugee and displaced populations often prevents adequate response. While emergency response under conditions of natural disaster is a fairly well-developed practice, complex emergencies still present extremely difficult working environments.

The range of activities considered provisioning includes:

- provision of food and critical non-food items (shelter, blankets, cooking utensils, etc.) (e.g. Rwanda, Sudan);
- physical protection of refugees and internally displaced (e.g. Sierra Leone, Somalia, Sudan);
- provision of emergency water systems (e.g. Rwanda, Sudan);
- provision of emergency health (including reproductive health) (e.g. Angola, Rwanda);
- educational programmes and promotion of some level of economic/food self-reliance in the longer term (Sudan);

Many activities listed as mitigation or rehabilitation are often part of emergency response programmes; lines between the different activities are blurred.

Livelihood recovery (rehabilitation)

Rehabilitation overlaps with relief and development. CARE's definition of rehabilitation is "the process of protecting and promoting the livelihoods of people enduring or recovering from emergencies". The purpose of rehabilitation programmes is to, "provide short-term income transfers, rebuild household and community assets and rebuild institutions… The key task of rehabilitation is to help reinforce developmental objectives, notably livelihood security, participation, sustainability, gender equity and local institutional capacity".[2]

Rehabilitation was traditionally viewed as a quick transitional step between relief and development, and programme activities were traditionally aimed at rebuilding physical infrastructure and replacing lost physical assets. Over recent years, rehabilitation has grown to embrace the rebuilding or recovery of a much broader spectrum of assets destroyed by both

[4] See J. Stuckey. 1999. "Raising the issue of pesticide poisoning to a national health priority", CARE Advocacy Series, Case No. 1. Atlanta, CARE USA.

natural disaster and war, including de-mining, psychosocial counselling of victims of war and rape, the demobilization and re-integration of combatants and large-scale support to the recovery of macroeconomic indicators. It has also come to embrace programmatic interventions that address more basic causes of emergencies themselves, including conflict resolution, democratization, human rights promotion and building the institutional capacity of indigenous organizations.

While natural disasters usually come to an end, increasingly complex emergencies can drag on for many years. Occasionally, complex emergencies have a distinct ending point, but many end up in an "uneasy peace" or a protracted, low-grade conflict. There are rarely clear and unambiguous signals to operational agencies that it is time to switch modes of programmatic intervention. This makes rehabilitation a problematic concept operationally. The switch from emergency operations to rehabilitation often requires major changes in procedures, skills and institutional culture. Promoting sustainability and participation are major challenges. While rehabilitation interventions are often long term in nature, donors often do not have a separate funding category and programmes must often be financed on the time frames of emergency operations.

The range of activities considered rehabilitation is now much broader, including:

- transportation home for refugees and IDPs (e.g. Angola, Rwanda);
- protection of returnees (e.g. Rwanda, Sudan);
- provision of food until harvest (e.g. Angola, Ethiopia);
- distribution of seeds and tools (e.g. Angola, Sierra Leone, Somalia, Sudan);
- provision of other inputs including building materials, fertilizer or production inputs (e.g. Angola, India, Rwanda, Somalia);
- restocking of livestock herds (e.g. Rwanda);
- guarantees of access to land and natural resources;
- restoration of services (health, water and education) (e.g. Rwanda);
- restoration of physical infrastructure, especially housing but also basic human services, transportation, necessary government, community buildings, etc. (e.g. Tajikistan);
- labour-intensive works employment both for rehabilitation of infrastructure and as a safety net (e.g. Afghanistan, Honduras);
- restoration of market access, financial services and transportation (e.g. Sudan);
- rehabilitation of institutional capacity, including local non-governmental and community-based organizations, and sometimes local government (e.g. Somalia);
- reforestation or rehabilitation of other crisis-related environmental damage (e.g. Rwanda);
- removal of land mines, unexploded ordnance, and other war matériel that presents a hazard (e.g. Angola);
- psychosocial counselling for victims of trauma or rape (e.g. Rwanda);
- special reproductive health programmes for victims of rape (e.g. Rwanda);
- leadership training and civic education (e.g. Bangladesh);
- peace education and conflict resolution training (e.g. Sierra Leone);
- macroeconomic reforms aimed at improving overall economic recovery.

[5] See J. Stuckey. 1999. "CARE International Advocacy for Peace in Sudan". CARE USA Advocacy Series, Case No. 3. Atlanta, CARE USA.

Appendix 2

USING A LIVELIHOOD FRAMEWORK TO INFORM POLICY

CARE defines advocacy as the deliberate process of influencing those who make policy decisions. CARE's use of advocacy will always attempt to improve the livelihood of a significant number of people, target policy-makers and implementers at levels above the household and be rooted in CARE's field experience and core values (Beckwith 2000). Advocacy is an approach that CARE uses to complement its efforts to strengthen capacity for self-help, provide economic opportunities, deliver relief in emergencies and address discrimination in all its forms (Beckwith, 2000).

Advocacy is brought into the HLS analysis in the following ways. First, a livelihood analysis facilitates the identification of a broad hierarchy of causes, including the policy dimensions of the root causes of poverty. Second, advocacy interventions can expand the means and strategies for addressing policy-related root causes and therefore the scope or impact on household livelihood security. Third, the HLS framework helps establish an information base that will enable better positioning and the building of a credible case for advocacy. Fourth, through the HLS framework, advocacy may improve the support of donors towards

investing in a holistic approach to solutions to poverty. Fifth, advocacy should be an integral part of or add value to CARE's ongoing/regular programmes, rather than be a project by itself. Through good problem analysis and programme design, advocacy strategies and activities may expand CARE's options for finding solutions. Sixth, all CARE programmes are beginning to work on identifying policy issues in assessments and analysing the policy environment in relation to planned programmes (Beckwith 2000).

There is a strong link between advocacy and a rights-based approach to development. First, a rights-based approach requires CARE to view the people it serves as rights-bearers. This implies a commitment on CARE's part to respect the people it works with and to help them in their efforts to realize their rights. CARE strives to raise people's awareness of their rights and to build and support their capacities to participate in decision-making processes that affect their lives. Second, a rights-based approach recognizes that governments are legally accountable for respecting, protecting, facilitating and fulfilling the rights of their citizens. Advocacy is a means for holding governments (at all levels) and other institutions accountable. Third, a rights-based approach affirms the importance of systematic identification of the root causes of livelihood insecurity and of a commitment to confront such causes in CARE's work through advocacy whenever possible. Fourth, a rights-based approach upholds the principle of non-discrimination. Throughout the programme cycle, it requires that CARE assess and seek to address the unequal treatment of marginalized individuals and groups. The HLS framework can help CARE to understand better the differentiation and discrimination between individuals and between groups to target advocacy efforts. Fifth, broadening an understanding of livelihood security, a rights-based approach helps CARE identify the minimum conditions (civil, political, economic social and cultural) for living with dignity. Advocacy can be used to redress violations of dignity (Beckwith 2000).

Advocacy initiatives are also closely tied to CARE's efforts to strengthen civil society. Through analysis of the dynamics among the State, the private sector and civil society, power relationships can be identified that help inform advocacy efforts (Beckwith 2000).

Figure B depicts the internal and external relations that influence household livelihood security.[3] While the initial intent of the HLS approach was to understand these constraints and take them into account in programme design and implementation, CARE's programme is increasingly being expanded to include advocacy and attempts directly to influence or change the way in which external relations influence household livelihood security. In the private sector, this primarily affects the way programmes are influenced by the market. In the civil-society sector, this primarily affects partnership relations and the way CARE participates in NGO coalitions to influence policies. In the governmental sector, this has traditionally meant attempting to address or shape policy in areas where the HLS framework suggests a constraint.

Increasingly, the HLS framework has driven advocacy into the realm of political constraints. Two examples, one technical and one political, illustrate the ways in which HLS has both pushed CARE in the direction of policy advocacy and given it the credibility to address such issues.

Nicaragua: pesticide policy

During the 1980s, CARE was involved in a project designed to reduce pesticide poisoning among agricultural labourers working on cotton estates in Nicaragua. It eventually became one of the first successful programmes at promoting integrated pest management (IPM). Along the way, project staff began to assist the Nicaraguan Ministry of Health to collect, analyse and publish data about the extent of pesticide poisoning. The study found that the problem was much more prevalent than previously thought, and in fact was as serious a problem as many infectious diseases such as malaria. CARE Nicaragua decided that one technical intervention was not an adequate response to the problem. CARE staff led an effort by a number of agencies in the country to work with legislators to draft new legislation governing the

[6] These steps are laid out in much greater detail in several other resources. See T.Frankenberger & K.McCaston, 1999, "Rapid food and livelihood security assessments:a comprehensive approach for diagnosing nutritional security", in *Scaling up, scaling down: overcoming malnutrition in developing countries*, ed. by T. Marchione, Amsterdam, Overseas Publishers Association; D. Maxwell & R.Rutahakana, 1997, "Dar-es-Salaam urban livelihood security assessment:design, background, strategy, data collection and analysis methodology", Dar-es-Salaam, CARE Tanzania;and M. Pareja, 1997, "Preparing for a rapid livelihood security assessment.", Nairobi, CARE East Africa.

[7] See K.McCaston.1998."Tips for collecting, reviewing, and analyzing secondary data", Atlanta, CARE USA.

[8] Maxwell & Rutahakana, op. cit., Drinkwater, 1998, Frankenberger & McCaston, 1999.

TABLE B

Malawi participatory livelihood assessment, July 1998: methods used and key information collected

Level of analysis	Methods	Key information collected
Community-level environmental and economic analysis	• Resource mapping and focus group discussions around resource map • Historical time line • Seasonality calendars • Venn diagramming • Matrix ranking	• Infrastructure, key services, land use, farming systems, land tenure, natural resource base, availability, access, quality, historical changes • Historical analysis, changes over time, trends, past efforts • Seasonal farming activities, income, expenditure, stress periods, coping and adaptive strategies • Institutional identification, operation, interaction, level of service, performance • Economic activities, priorities, performance, trends, gender
Household-level social analysis	• Identification of livelihood indicators • Identification of livelihood categories • Livelihood category profiles • Social mapping • Case study and household interviews	• Economic, social and environmental criteria used for classifying households by well-being • Difference by gender • Location and names of households • Proportional livelihood status • Vulnerability, shocks, stress, coping and adaptive behaviour • Potential opportunities • Validation
Problem prioritization, analysis and opportunity identification (synthesis)	• Problem identification analysis • Cause-effect analysis • Opportunity analysis	• Prioritized problems by gender • Problem linkages, causes and effects • Previous efforts, successes, failures • Roles and responsibilities • Potential opportunities and strategies

registration and use of pesticides nationwide. CARE also helped to design a regional programme, under the auspices of the Pan American Health Organization, which replicated the methodology of its own Nicaraguan IPM project. This experience also had a strong influence on CARE's own adoption of a world-wide policy on pesticide use.[4]

Although this example took place before CARE officially adopted the HLS as its programme frame-work, strong field experience and a cross-sectoral, holistic problem analysis (in the agriculture and health sectors) led CARE into an advocacy initiative. The initiative was neither particularly planned, nor incorporated into subsequent project re-design, but it had a direct and significant impact both nationally and regionally.

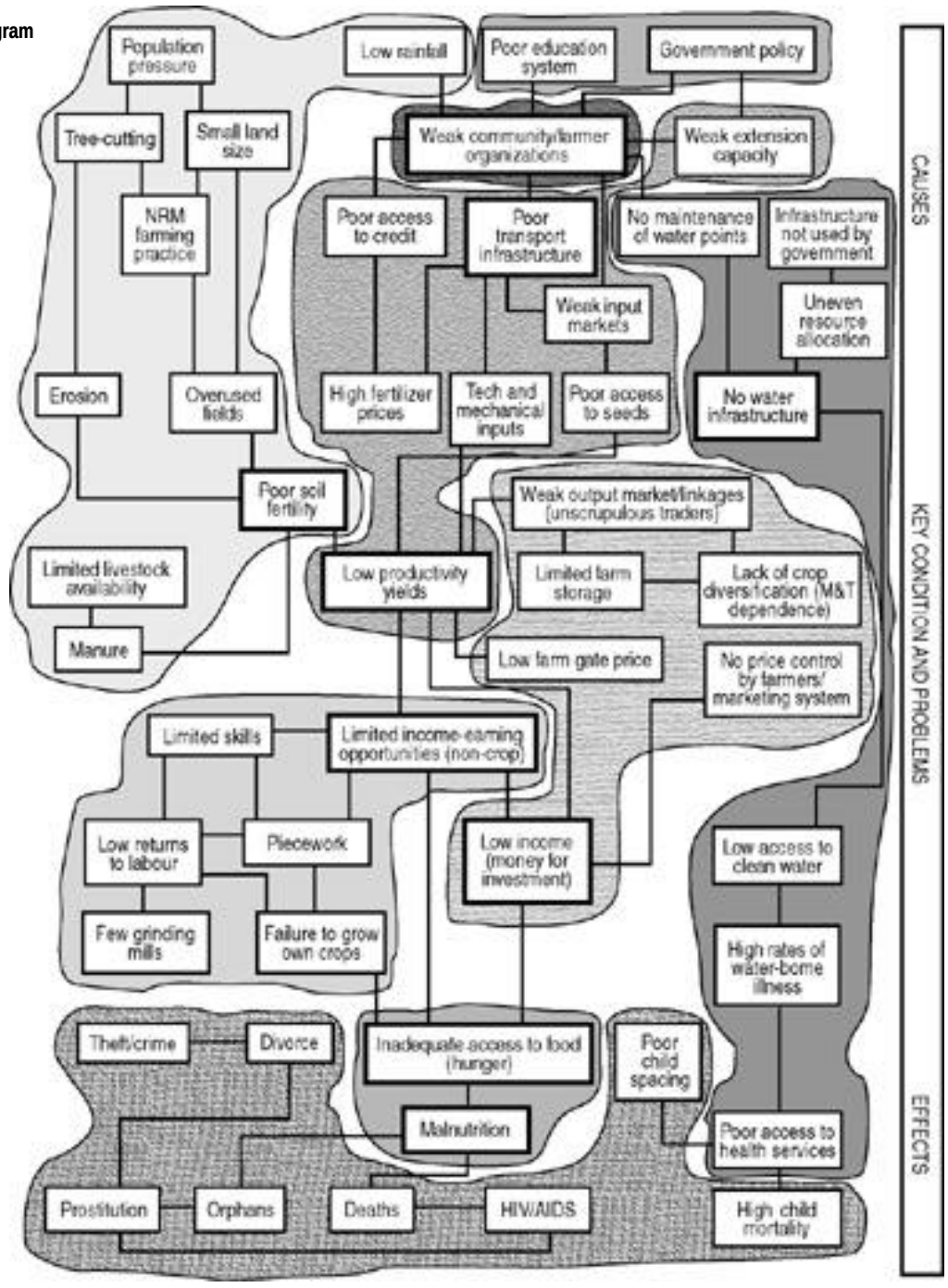
Sudan: promoting the ceasefire and the peace

process

CARE has worked in Sudan for 20 years, in both the northern and southern parts of the country. Sudan is a country that has been wracked by a civil war between North and South for 33 of the last 44 years. An estimated 2 million people have lost their lives in this conflict – far more to disease and starvation than in the battlefield. Given the circumstances in the country, CARE's programmes have mostly been in the areas of emergency response, rehabilitation and mitigation, and have been almost exclusively limited to on-the-ground, practical interventions. A regional body, the Inter-Government Authority of Development (IGAD), has been brokering peace talks among the various parties in the conflict, but without the strong support of major international players, including some of the governments from whom CARE receives funding for humanitarian assistance in the country.

When a major famine recurred in Bahr el-Ghazal in 1998, CARE was one of the few organizations able to respond both in SPLA-held territory and territory held by the Government of Sudan, and those interventions

FIGURE C
Malawi IMAPdiagram



were credited with saving thousands of lives. However, CARE and several other humanitarian agencies in Sudan began asking how many times they would have to "save" the same people's lives during the war. In partnership with three other major NGOs (Oxfam-UK/Ireland, Save the Children Fund-UK and Médecins sans Frontiere), CARE devoted significant resources and staff time toward advocacy at the United Nations and the United States Government to support the IGAD peace process and to bring about a just and mutually agreeable solution to the Sudan civil war, and to use their influence with the actors to extend the ceasefire in Bahr el-Ghazal to continue to permit humanitarian assistance to reach vulnerable groups in the short term.[5]

This advocacy initiative was deliberately planned and had been incorporated into ongoing efforts in the country and the region, as well as at the international level. But the initiative was based on solid information and experience on the ground, working with the civilian population on both sides whose lives and livelihoods had been devastated by a decade and a half of war. The impact of such an initiative is difficult to measure; the ceasefire was extended, but it is difficult to attribute causal factors to the extension. The civil war in Sudan continues, as do CARE's efforts to raise awareness of and generate support for the peace process.

Both the Sudan advocacy initiative and the benefits-harms tools described earlier are examples of the way in which a livelihoods approach has begun to interface with a rights-based approach to programming. Defining this livelihoods/rights interface, and exploring the ways in which the two approaches can benefit from each other, is a major challenge for the operationalization of the livelihoods approach.

One of the major concerns of country offices as they move into advocacy activities is that the staff may not have the necessary skills or time adequately to engage in policy dialogue. Senior management acknowledges that staff workloads could increase significantly as they got more involved in policy issues. There are no guidelines that currently exist as to how country offices are to proceed on these initiatives. The context will determine the approach to be used, recognizing that each country in which CARE works is different.

Appendix 3
DIAGNOSTIC SEQUENCING AND METHODS

Sequencing

While the exact sequencing of assessment and diagnosis will vary depending on the objectives and information requirements, the sequence of a full-blown livelihood security assessment includes:[6]

- *Objective setting:* Clear objectives are fundamental to keeping the entire diagnosis process on track.
- *Review of existing information:* A comprehensive review of existing information and an assessment of its validity, reliability and comprehensiveness sets the parameters for primary information collection.[7]
- *Identification of major issues for field data collection:* Where there are gaps in existing information, tools for gathering that information have to be designed.
- *Stakeholder validation of conclusions from secondary information and gaps:* Prior to investing staff time and financial resources in field data collection, experience shows that it is useful to validate the conclusions reached on the basis of secondary information. Stakeholders here include representatives of communities in which programmes may take place, partner organizations that may be involved in diagnosis, design and implementation, local authorities and other organizations or research institutes that may have experience or information.
- *Site selection:* Locations for field data collection must reasonably represent locations where programmes will be implemented, but can rarely be statistically representative due to resource restrictions. Therefore careful thought must go into purposive selection of sites, and the number of sites must be adequate to capture the breadth of variation in livelihood systems, constraints and sources of vulnerability.
- *Community preparation:* The quality of information gathered is only as good as the quality of response from groups participating in the information collection, so good communication with communities in the sites selected is critical. Likewise, it is important to inform communities that projects or "aid" may not necessarily follow immediately (or ever).
- *Field team training:* Often field teams include staff from partner organizations or local government, representing multidisciplinary viewpoints and expertise. Incorporating HLS concepts and rigorous field methods into a mixed team is a challenge that is often allocated inadequate time.
- *Field data collection/entry/analysis iteration:* Capturing information, organizing it and making it retrievable and beginning to synthesize findings are all part of fieldwork. For these activities at least one day is required for every day of actual information collection. This should be an iterative process rather than the lumping of information collection and entry/analysis into separate activities and time frames.
- *Analysis and design workshops:* Further refinement of information, identification of problems and opportunities, and selection of strategically focused interventions usually occur in design workshops following the field exercise. Often, multiple stakeholders, including community representatives, are involved in this process. Once a set of intervention themes has been identified, these themes are subjected to a series of screens to determine the key leverage points for design follow-up. The selected themes are reviewed with the community to determine if they are valid community priorities.

Another example of a sequenced approach for participatory livelihood assessments is the one used in Malawi.

Methods

LSA methodology grows out of RRA/PRA methods but is focused specifically on the multidimensional issues of livelihoods and vulnerability. Field methods for qualitative and participatory information collection have been adequately described in greater detail elsewhere.[8] However, they broadly consist of focus and large group key informant interviews, used together with participatory techniques such as maps, time lines, calendars and Venn diagramming, as well as more analytical participatory techniques such as problem tree analysis and concept mapping. These may be combined with quantitative household survey interviews and anthropometric/health surveys.

In general, qualitative methods allow for greater flexibility and greater exploratory power, and they result in information that permits logical inference. Quantitative methods allow for greater confirmatory power and result in information that permits statistical inference. Each has implications for sample selection. Use of multiple methods permits triangulation (cross-checking and confirming findings), and each adds some perspective that the other cannot. The use of

multiple methods is an iterative process, and the sequencing usually depends on how much information is already known.

Appendix 4

DEVELOPING FOCUSED PROJECT STRATEGIES: THE MALAWI CASE STUDY

Malawi's Central Region Programme

In Malawi, CARE is in the process of establishing a programme in the Central Region around Lilongwe. The start-up of this programme had four major phases. First, since CARE had no existing programme in Malawi, a month-long exploratory exercise, or probe, was conducted in May 1997. Stakeholders were met across the country, and visits were made to each of the three major regions: south, central and north. Following this exercise, it was agreed, with government and donor concurrence, that the best area, in terms of unmet need, for CARE to commence programming was in the densely populated Central Region area around Lilongwe (Lilongwe, Dedza and Dowa Districts). An intensive two-week assessment was then implemented in July 1998, following which the synthesis and cause-effect diagram was generated (see Figure C). The assessment activities included secondary data review – much conducted the previous year, but added to more specifically for the Central Region – a participatory livelihood assessment in three field areas, and a marketing study. At the conclusion of these exercises, the combined team developed the cause-effect diagram as representative of the major issues affecting livelihoods, and a hypothetical rendering of the linkages among these issues.

The third phase of the Malawi programme development was a design phase. From the cause-effect diagram and additional information from various studies, an initial programme log frame was developed. This identified four major interlinked programme components, outlined below, from which three major projects have so far been developed and funded.

Goal: to improve the food and livelihood security of households in selected areas in the Central Region.

ntermediate objectives:

- Develop and strengthen organizational capacities and partnerships.
- Raise agricultural productivity (through crop diversification and improved farming systems).
- Improve water availability and utilization and related natural resource management.
- Increase income opportunities and earnings.

It should be stressed that although these objectives might seem predictable, what the analysis achieves is an understanding developed through the participatory process of the linkages among the elements. In most instances, development agencies would address the above themes as discrete, unrelated elements. CARE's aim is to overcome the inherent weaknesses and inefficiencies in this. In Malawi, a range of livelihood protection-to-promotion activities is included in the three proposals. The whole institutional framework for the programme is provided by the local-level institution-building activities, which includes the evolution of local structures, which are acceptable to the local traditional leadership, but more democratic in form, through which outside agencies can operate. Cash-for-work activities are based around rural infrastructure maintenance – one project specifically deals with rural road maintenance, and the other two more with small dams activities. Participants in the cash-for-work activities will then be linked into savings groups so that their earnings can be used both for future investment and safety net purposes. Other activities deal more with the intensification of agriculture in key resource areas, such as home fields and wetland areas, and with the development of improved marketing linkages. Afinal project area dealing with reproductive health will be developed in 2000.

CARE has had several intentions for developing this Central Region programme. The first is that all the programmes together should have a synergistic effect, complementing one another and, taken across the region, having a combined impact on livelihoods. At this point, all the activities have been designed as pilots, being implemented over a two- to three-year period, so the lessons learned from them will be used to develop the next operational phase of the programme.

The second aim of CARE in the design is to work with and complement as much as possible the agencies and activities operating in the region. Adetailed stakeholder analysis was conducted during the exploratory probe, and was further developed during the assessment phase, particularly with regard to market linkages. Developing actual operational linkages at a programmatic level has proven to be a slow process. Nevertheless, during the start-up phase the new programme staff are seeking to build these linkages as opportunities allow.

Finally, in its development of the overall Central Region food and livelihood security programme, CARE is also seeking to pilot new models for broader replication in the country. After a lengthy period in the 1990s, when donor programmes were largely of a livelihood

provisioning nature – emergency provisioning of food followed up with seeds and tools activities – CARE's aim is to build the programming bridges among consumption provisioning, asset protection and the broader promotion of livelihood improvement. In this sense, CARE's first wave of programmes have been largely negotiated with donors as providing experimental activities, which will contribute to the development of more far-reaching developmental activities. This is especially pertinent given the World Bank's developing a US$30 million annual social safety net programme for the country, which, if not developed in an adequately creative way, could have disastrous consequences for longer-term efforts to rebuild human and resource capacity.

The current phase of the Malawi activities is now that of programme start-up. Key to this is the development of a common programme approach across the different project activities. Here, adherence to a basic set of core programming principles is essential. These include common community institutional capacity-building strategies, adherence to participatory methodologies, common training approaches, allowing materials to be reused or adapted across projects, common indicators and monitoring methodologies and an overall programmatic baseline.

Appendix 5

REFLECTIVE PRACTICE: THE ZAMBIA CASE STUDY

The Livingstone Food Security Project

The Livingstone Food Security Project provides an extremely good example of reflective practice. This project was developed following the southern African droughts of the early 1990s, and had as an early principal aim the improvement of food security through the introduction of drought-tolerant, early-maturing varieties. Local village management committees were established that allowed the project to spread rapidly, reaching some 9 600 farmers in two years. The capacity-building of these committees and their eventual federation into area management committees allowed the project to diversify the scope of its activities. Monitoring after the second season showed the project to have been extraordinarily successful in increasing household-level food stocks in many villages by an average of up to five months.

The project had ensured that the crops women wanted would be included in the programme, and that women would be represented on the village committees. One field officer was given the specific remit to look more closely at gender issues. As part of this, she held a series of village-level meetings with men and women to discuss the subject. At one of these meetings, remarks by men that women were "stealing" crops in the field opened up a much more in-depth discussion on how different household members were benefiting from the seed provisioning and multiplication programme. It was found that since men controlled the food granaries, proceeds from the sale of increased crop production were being reinvested in cattle that had been lost earlier through disease and emergency sales during droughts. This made the women more rather than less vulnerable, since with increased assets it was easier for a husband to return to her parents a wife that disagreed with him. As a result, some women were selling some of the crop before it reached the granary in order to gain more direct benefit from the income. In general, this issue acted as a disincentive to women to continue to contribute to increasing of crop production, a factor men acknowledged.

As one response to this, the same field worker was eventually appointed a marketing and business development coordinator, and began to develop a "personal empowerment" training methodology for the improvement of specific income-generating activities in a given area. The first workshop, covering traditional beer brewing, was held in one village with women and the village management committee representatives. The latter group included men supportive of a process that would assist women in improving their income-generating activities. When the value of the grain and labour used for the beer brewing was calculated, it became apparent that women were suffering de facto losses. The group's analysis of the revenue being lost showed that this was because large amounts of beer were being given away – for tasting, to husbands and their friends, to those helping in production and to the chief. The training then focused on how these "free samples" could be reduced and the enterprise turned into more of a business, with attention paid also to customer service aspects – improving the beer's taste, ensuring clean surroundings and dressing neatly during selling. After the training, a record book of the costs and sales of beer brews in the village was then kept by one of the women. Profits went up immediately. Before long, profits of up to K55 000 (US$25) were being recorded per brew. With the additional income, the women were able to improve their situations by purchasing or bartering for

additional grain, enrolling their children in schools, improving their homes, buying small stock and poultry, purchasing blankets (it was winter) and establishing other small businesses by bulk buying and reselling (in smaller quantities) commodities such as sugar and salt (Sitambuli 1999; Drinkwater & Rusinow 1999).

There are three main points to be emphasized about this case. First, the women were investing far more directly than the men in improving household livelihood security (another outbreak of livestock disease was in fact once again wiping out many of the increases in stock levels that had taken place since the beginning of the programme). This leads to a second point: within a short time, the process of treating beer brewing more as a business spread from the village where the training had originally been conducted to 16 surrounding villages, and this was thanks to the husband beer drinkers, who were impressed by the extra revenue their wives could earn. This support of men was facilitated initially by the effort the project had placed in community institution-building and leadership development. The involvement of men and their support for the process from the outset was critical.

The third point is that, without the active exploration of the benefits of the project activities to different genders, and without the internal management mechanisms enabling this information to be used to make appropriate, timely changes to the project strategy, the success of this programme would not have been realized.

It was this last understanding in particular that led to the inclusion of "reflective practice" as part of the programme design framework at the CARE Zambia HLS + gender workshop. During the workshop, a series of issues regarding the use of HLS and gender in the country office's project were identified and prioritized. This is a useful list, since the issues are of generic relevance across CARE's programmes. (The parenthetical numbers represent the votes of workshop participants.)

Priority issues related to HLS:

- Explore more integration among projects in the same geographical area (9).
- In needs assessments, look at the household as a unit of analysis, and as a unit of monitoring and evaluation, but in implementation CARE does not have a strong focus on the household (8).
- Improve integration of different sectoral or 'line of action' components in implementation (4).
- Facilitate showing improvements at livelihood level of health interventions (3).

Priority issues related to gender:

- Unit of analysis is usually the household, but CARE misses out on the disaggregation below (how benefits are disproportionately experienced by different members) (5).
- CARE does not have a holistic framework for measuring gender in its work (5).
- Does CARE need more gender specialists, or simply more appropriate programming frameworks (5)?
- There is a lack of effective tools in tackling culture (3).
- How does CARE bring in equity at the household level in terms of resource control (3)?
- By encouraging women in community activities or IGAs, is CARE giving them more responsibilities without addressing how they should deal with their home-based functions (i.e. adding to their burden instead of lightening it)?

One of the conclusions reached in the discussion on this prioritization was that a "reflection" process entailed monitoring outside the framework of the log frame. If the project monitored only in terms of its specific objectively verifiable indicators (OVIs), then it might not identify some of these issues of unintended consequences, particularly with regard to the disaggregated effects of activities on different wealth groups and different members of a household. This then becomes an issue that programmes need to design more effectively into their learning frameworks in the future.

Sustainable livelihoods approaches at the policy level[1]

PAPER PREPARED FOR FAO E-CONFERENCE AND FORUM ON OPERATIONALIZING PARTICIPATORY WAYS OF APPLYING SUSTAINABLE LIVELIHOODS APPROACHES

Anne M.Thomson

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This paper examines the implications of applying a sustainable livelihoods (SL) approach at the policy level. Policy is a broad concept that can be disaggregated into content, the process of policy formulation and policy implementation. Although generalization about all these three elements is, by its nature, a simplification, the very diversity of livelihoods makes it even more difficult to generalize about policy content.

There is a substantial body of work on the impact of policy on concepts related to SL, such as food security and poverty, which has a great deal of relevance to assessing policy impact and appropriate content. However, looking at policy through an SL lens requires greater emphasis on vulnerability and risk-proofing than is sometimes found.

In many countries, the policy process is essentially top down. Communities often have an extremely limited role to play, and even where acknowledgement is made of the importance of participatory processes, often these are used in an extractive rather than an empowering context. An SL-friendly policy process would indicate a much more active role for communities and civil-society organizations (CSOs). This could be in terms of involvement in formal planning processes, greater inclusion in the political process, particularly at a decentralized or local level, or through an increased role for civil-society organizations in lobbying. National NGOs and other CSOs will often need increased support, both technical and financial, to enable them to carry this out effectively.

For SL-friendly policy, the organizations involved, whether government, private sector, civil society or traditional authorities, must be competent, accountable, accessible and responsive to the situation of vulnerable groups.

Direct participation, lobbying and monitoring impact are all-important elements of an SL-friendly policy environment. However, the possibilities of popular participation in policy processes will vary according to the particular policy arena concerned. Lobbying and monitoring are likely to be the main communication links to government for macro policy, whereas there is more scope for participation and consultation in areas such as institutional reform and service provision.

Macroeconomic stability is an important element of economic sustainability, and planning tools such as public expenditure management have contributed in many countries to achieving improved economic management. These can and should be made supportive of

[2] Although the thrust of the argument contained in the paper is relevant to all countries, most of the examples, and the author's experience, come mainly from sub-Saharan Africa.Practice in other parts of the world may differ significantly.

an SL approach to policy.

The author feels that, although it is important to improve understanding about the linkages between policy and livelihoods in terms of content and impact, the greatest potential for achieving a sustainable improvement in livelihoods policy lies in an emphasis on increasing civil-society and stakeholder participa - tion in the policy process. This has implications for the focus of external assistance, both technical and financial.

INTRODUCTION

The purpose of this paper is to examine the implications of applying a sustainable livelihoods (SL) approach at the policy level, in particular to issues of poverty. It addresses three questions: (1) what characteristics of policy might be consistent with and supportive of the SL agenda; (2) what types of organization could play an active role in influencing policy; and (3) in particular how to address the challenge of trying to incorporate an SLapproach into the policy process in order to develop effective channels of communication between poor households, especially in rural areas, and the central policy network.

The sustainable livelihoods approach was adopted by a number of agencies and organizations during the 1990s as an integrative framework for thinking about development issues, and in particular for addressing poverty.

The framework links the concepts of capability, equity and sustainability, each concept being seen as both good in itself and an end (Chambers & Conway 1992). The concepts are employed in both a social and an environmental context, thus, for example, sustainability is seen as encompassing such elements as the overexploitation of non-renewable resources and socio-economic resilience to external shocks.

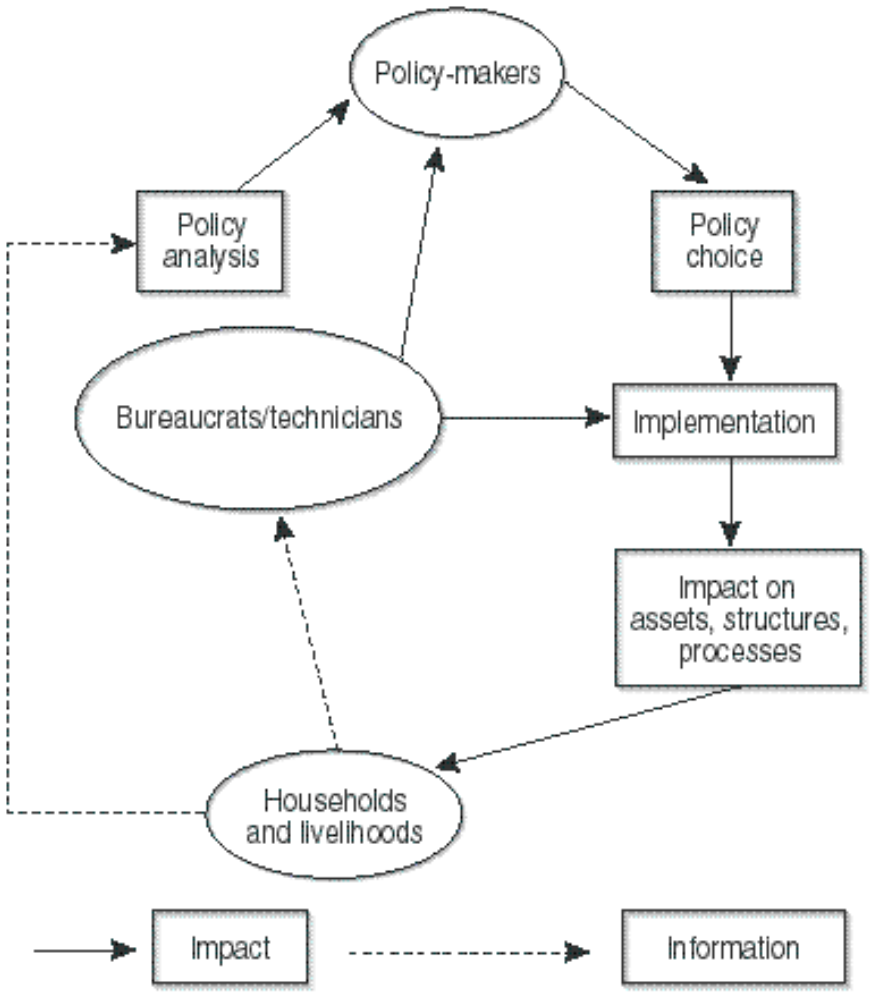
The most generally quoted definition of livelihoods is that given by Chambers & Conway:

> "a livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation: and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term."

The ultimate objective of projects, programmes and policy is thus the promotion of sustainable livelihoods, particularly for the poorest and most vulnerable in society. The SLapproach is people focused: the basic measure of success for projects and policies is the extent to which they enable individuals, households and communities to strengthen sustainable livelihoods for themselves.

It can be argued that the SL approach has evolved from thinking about poverty as a problem of lack of income, through to the basic needs approach, then to an emphasis on food security and vulnerability, and finally more recently to an approach to poverty programmes

FIGURE 1
An example of the policy process



Source: Adapted from Sutton 1999.

that focuses on the provision of health and education services by government. A sustainable livelihoods approach is likely to encompass elements of all these aspects, but focuses on capacities rather than needs, and on assets and strengths rather than weaknesses and constraints.

The precise frameworks and tools used by different agencies vary (see Carney et al. 1999). However, they all share the same basic concept of sustainable livelihoods, and use a framework that contains the following elements:

- an analysis of the causes of vulnerability – trends, seasonality, fragility of natural resources, and shocks and stresses in the economic, social and political context, etc.;
- an analysis of assets, at the individual, household and community level, comprising human, social, economic, physical and natural resource assets;
- the context within which livelihoods evolve – policies at both micro and macro levels, civic, economic and cultural institutions, both formal and informal; the nature of governance and its processes at all levels in society;
- livelihood strategies, including but not restricted to consumption, production and exchange activities;
- the resulting livelihood outcome, assessed multidimensionally in terms of food and other basic needs security, greater sustainability of the natural resource base, reduced vulnerability and increased income.

The different agencies have identified particular entry points for the SL approach that reflect both varying conceptual emphases and the agencies' own strengths and opportunities. Much of the practical use

of the SL approach to date has been in terms of designing projects and programmes, a reflection of both the emphasis and the approach of the agencies that have adopted the approach (NGOs and bilateral and multilateral agencies) and the complexity of understanding the full implications of such a holistic approach for the policy process. It is this latter issue – the implications of the SLapproach for the policy process that this paper seeks to address.

In the sense that policy can be seen as public-sector/government decision-making about both public resource allocation and the set of public institutions (rules of the game), this clearly has an impact on all the elements identified above. Perhaps the most immediate impact is on the stock of assets, or access to those assets, many of which are either public goods, such as infrastructure, or the outcome of the provision of public goods, such as education.

However, among the core principles of the SL approach is that it is people centred, responsive, participatory and dynamic. From this perspective the policy process is as important as its content, if not more so. The actual content of policy developed using the SL approach will tend to be specific to the individual situation. Certain areas might be expected to be given more prominence from an SL perspective, such as health, education and credit policy. However, it is in the way that policy evolves, the nature of the organizations involved in the policy process and the adaptability and responsiveness of policy to a changing environment, both physical and economic, in which the essence of the SL approach lies. Consequently this paper will concentrate as much on policy process as on content.

THE POLICY CONTEXT

Given the limited experience of applying the SL approach at the policy level, the paper will also concentrate on identifying the characteristics of the policy process that are consistent with and supportive of the SL approach. Although overall the practical experience of using the SL approach at the policy level is limited, many of the tendencies and approaches to development that have been pursued over the past decade or so share similar concerns to the SLapproach. These have resulted in changes in institutions and organizations that are supportive of and consistent with a SLapproach. Where possible and relevant, examples of this are illustrated.[2]

The following issues or changes in paradigm have particular relevance to or significance for the SL approach:

- the changing role of the state;
- the increased focus on gender;
- the sector approach;
- emphasis on governance;
- rights-based approaches;
- decentralization.

The changing role of the State. There has been considerable debate over the impact of the changing role of the State on poverty and the access of the most vulnerable to services. In some countries the withdrawal of the State from provision of goods and services has restricted access of poorer households, particularly in more geographically remote areas, to reliable markets for both consumption goods and inputs for production. However, it also has to be acknowledged that in many countries, public-sector services benefited the rather better-off and those with good political connections, at the expense of the most vulnerable. The SL framework places more emphasis on supporting and enhancing capabilities, rather than simply meeting needs, as was the objective of old-style public-sector provision. Although these two approaches are not exclusive – and clearly food security, for example, is an important livelihood outcome – the redefined role of the State gives the potential for a more enabling environment for livelihood adaptation and sustainability.

Gender. This has been an important issue for the last decade. Aid organizations in particular have tried to ensure that their programmes be gender inclusive. An increasing number of countries have also introduced legislation to ensure the rights of women in inheritance, landholding, political structures, etc. From an SL perspective, improving women's access and participation is an important and indeed integral part of the process of achieving sustainable livelihoods. Because analysis is often carried out at the household level, it can be difficult to ensure gender sensitivity, but empowerment and participation of both genders is a primary objective and important element of the SL framework.

The sector approach. This is perhaps less obviously supportive of the SLapproach than other approaches to development. It has been promoted as a response to the perceived shortcomings of project-led assistance. However, it has been criticized as ignoring the essential cross-sectoral nature of livelihoods and being inherently top down and non-participative. (Akroyd & Duncan

1998). In the past, addressing cross-sectoral problems has often proved to be organizationally intractable. The experience of food security policy and planning in many countries has been one of marginalization to the main sectoral concerns of the major line ministries. A more appropriate way forward may be to acknowledge the strengths of the sector approach, as a way of increasing the effectiveness of development aid and establishing realistic and efficient management and budgetary frameworks at the sectoral level, while exploring ways of making planning and policy processes more participatory and responsive. The recent Eritrean experience shows that participation can be integrated into an essentially sectoral process.

Good governance. This has increasingly become an important element in the aid relationship. The term good governance is used to mean "the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences" (UNDP 1998a). As such, it is central to the objectives of ownership and empowerment that are critical to the SL framework. The rules that determine the conduct of public affairs also determine the access of individuals, households and communities and the set of incentives that determine livelihood strategies. Whereas sustainable livelihoods may not be totally determinate on the existence of good governance, where governance is predictable and robust, livelihoods become less vulnerable. The absence of good governance can exacerbate policy weaknesses. For example, in Nepal, a combination of traditional structures and authorities (including caste, bonded labour and complex and inequitable land tenure) and a public sector that is largely ineffective in assuring critical services have deprived both rural and urban populations of critical assets, and thus perpetuated extreme and widespread poverty.

Rights-based approaches. These have some overlap with good governance, though the emphasis here is on using the legal system rather than the political system to advance the position of disadvantaged groups in society. In practice, the establishment of rights within a legal framework is almost always the result of a political process. Many countries have signed declarations of rights within global conventions, but these rights have not subsequently been adopted by those countries' national legislative bodies. Even if adopted, the incorporation of rights into national legislation will have little impact unless a country has a progressive judiciary and a legal system that gives access to a broad spectrum of the population. Nonetheless, the establishment of appropriate rights at a national level can be an important tool in the pursuit of sustainable livelihoods.

Decentralization. This has been and still is being implemented in a number of African countries. The process of delegating implementation and, eventually, the budgeting and planning of line ministries to a regional and local level allows for much greater awareness of and responsiveness to local conditions and, in theory at least, accountability to local populations. From a policy perspective this should introduce a much greater two-way flow of information. As yet, experience is rather limited, but this trend should give rise to policy processes that are much more supportive of an SL approach.

THE IMPLICATIONS OF THE SL APPROACH FOR POLICY

The heading of this section can be interpreted at a number of different levels. The various interpretations of the SL approach itself can be seen as a spectrum with, at one end, a people-focused integrative way of addressing poverty issues, and at the other, a perception of a society as a dynamic and adaptive complex system that has to be analysed holistically (UNDP 1998b).

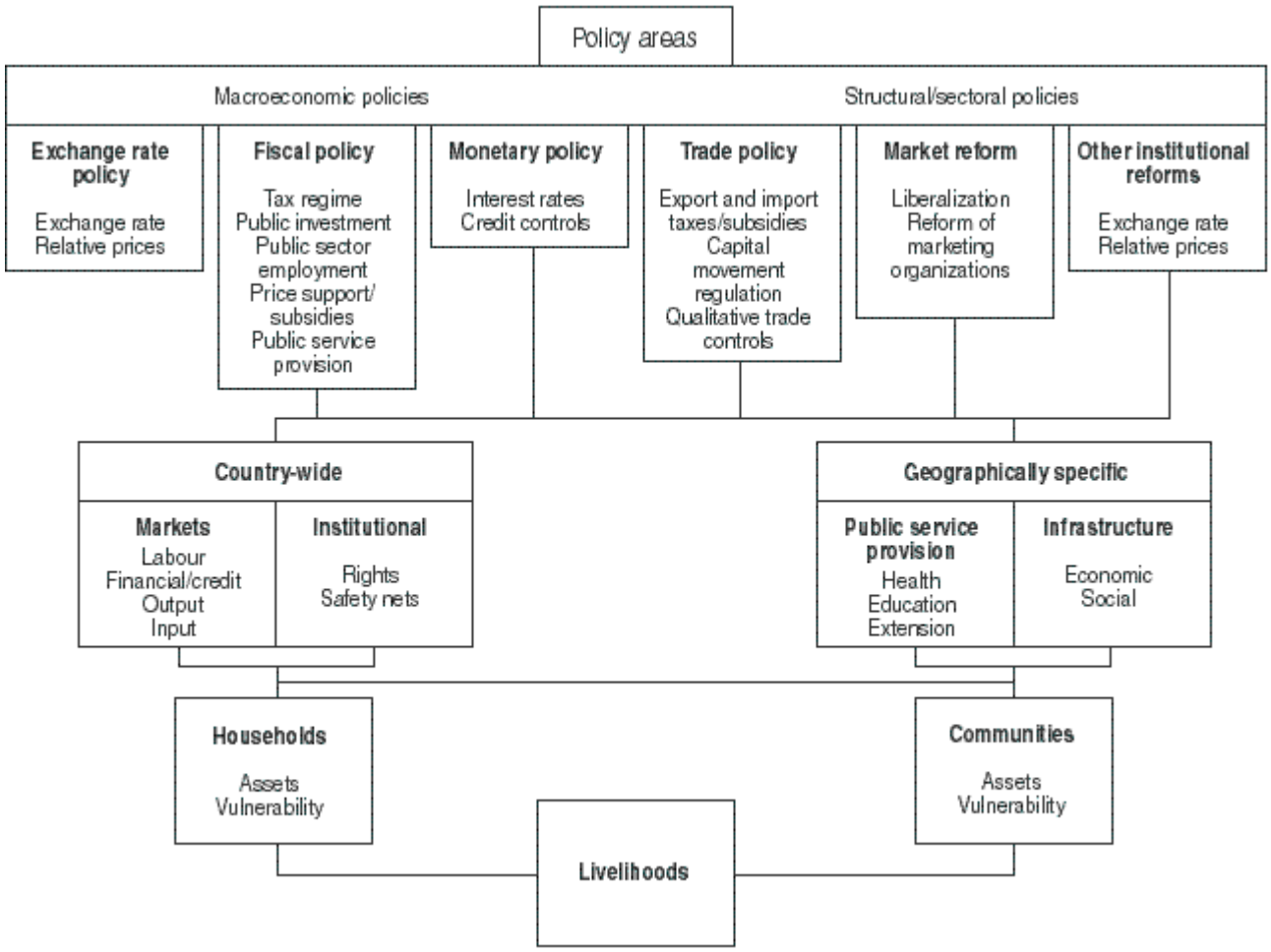
Policy itself can be analysed conceptually at a number of different levels. In its broadest sense, the term *policy* can be used to include projects, programmes, strategies, plans and their implementation and, in fact, every element of public or collective decision-making. Although it is a rather artificial simplification, policy can be divided into *content* and the *process of policy formulation* (in other words, the way in which that content is arrived at). The way in which policy is implemented can change the effective content of policy, either because policy interactions have not been fully understood or because the policy is

[3] Naresh Singh, personal communication.

[4] As indicated, there is a vast literature, both theoretical and case study. For two manuals in this area, see FAO 1997 and UNDP 1998.

[5] Although the actual functioning of markets may vary by district, according to factors such as infrastructure and demand levels, the overall policy on markets is usually uniform at the national level.

FIGURE 2
Macro-meso-micro linkages among policies and livelihoods



subverted by those responsible for implementing it.

The nature of *policy analysis*, or advice on public decisions, is another important aspect of policy. For an external organization, such as a multilateral or bilateral agency, or an international NGO, the most important issue may be how adopting an SL approach affects the nature and context of the advice those agencies give their partners at the national or district level. Does it affect the nature of their interaction with other stakeholders?

Figure 1 shows how different aspects of the policy process could be interconnected. In the figure, households have no direct impact on the policy process but are simply a source of information for policy analysts and bureaucrats/technicians. Policy affects them but they have little direct input in the process. Where government is democratically elected, or where policy-makers are in some ways dependent on households or communities, there may be linkages where those households or communities can have an impact on the policy process. This will be explored in more detail later.

Adopting an SLapproach can change the content of the boxes in the figure. It may result in:

- better or at least different types of policy analysis;
- different policy choices being made;
- different methods of policy implementation.

It may also change the type of information that is sought from the household or community level by policy analysts and bureaucrats/civil servants, both in terms of developing policy choices and in monitoring policy impact.

Finally, and perhaps most important, adopting an SL approach might lead to changes in the nature and direction of the linkages between the different agents

in the policy process. Rather than being relatively passive providers of information, households would instead participate directly, or through civil-society organizations, in the determination of policy.

In other words, understanding the impact of policy on the capacity and opportunities to enhance and support sustainable livelihoods is an important element of analysing the SL framework. This can, in turn, lead to changes in policy content and implementation. However, the emphasis on participation and capacity-building that arises from an SL approach has implications for the policy formulation process, and this should, in turn, have implications for policy content.

Policy content is potentially a vast topic. The content of policy that is supportive of SL will be specific to given situations, countries and even districts within countries. Given the diversity of livelihoods within any one country, specific policies are likely to be more supportive of some livelihood strategies than of others. They may well have negative effects on some groups. Even where a major policy objective is the reduction of poverty and the improvement of livelihoods, there may be the need to make policy choices that are conflicting, favouring some livelihoods at the expense of others. This highlights the importance of the processes by which these decisions and choices are made, and the influence that different sections of the community can bring to bear on the policy process.

The role of multilateral and bilateral agencies and international NGOs in the policy process varies according to the level at which policy is formulated. In many cases, these organizations are stakeholders primarily in the sense that they provide funds and assistance to projects and programmes whose outcome is dependent on the policy environment.

Direct support to the process of policy formulation has tended to take one of a number of forms:

- provision of technical assistance in the form of expatriate policy analysts and advisers to national governments;
- capacity-building and training for national advisers and civil service officers;
- policy analysis to assist the donor community to provide more effective and focused projects and programmes, or more appropriate budgetary support to national governments;
- funding and training to assist non-governmental partners in playing a more effective part in the policy process.

Adoption of the SLapproach has implications for all these aspects, primarily in terms of the nature of the capacity-building supported, the specific areas where technical assistance and analysis are provided and the skills and orientation of the donor community and of the policy advisers and analysts engaged to assist national governments. The SLapproach should provide a broader, more cross-sectoral perspective on policy issues. More fundamentally it should emphasize providing assistance to national governments in achieving a broader input into the policy process, increasing responsiveness and building the capacity of civil society to play an active role in policy determination.

It is easy to fall into the trap of considering policy as being formed only at the national level. In fact, policy is formed and implemented at a number of different levels, both nationally and internationally.

Internationally, organizations such as the World Trade Organization are important actors in determining conventions and institutions that affect the interaction of nations, through trade and through the rights and regulations they accept and incorporate in their national policies. These international-national linkages can be as important as micro-macro linkages in supporting and promoting sustainable livelihoods. International fora are usually more multisectoral in nature than national policy fora, and therefore, in one sense, they lend themselves to the incorporation of an SL agenda. However, the countries represented at these fora have internal diversity in interest. There is a need, in both North and South, for an improved analysis of the implications of an SL agenda. Civil-society organizations in the developed and developing world have an important role to play in lobbying at the national and international level to have SL concerns placed on the public agenda.

The policy focus is usually at the national level, where most decisions on legislation, regulation and resource allocation and public spending are made. This is gradually changing in many countries as greater levels of decentralization are being introduced. One of the most important challenges in incorporating an SL approach into the policy process is developing effective channels of communication between poor households, particularly in rural areas, and the central policy network. In part this may be a question of commitment, but even where commitment exists, the challenges for the policy-maker in responding to the complexity of livelihoods in a country is immense. This challenge may be somewhat smaller at the subnational and district level. The degree of homogeneity in livelihoods may be greater, and the geographical distance between

policy-maker and communities may be reduced, but many of the key issues are the same.

Sectoral policy presents a different type of challenge to the SL analyst. The SL framework is, by its nature, intersectoral. Individuals and households adopt livelihood strategies from the whole range of possibilities open to them, and they do not restrict themselves to an individual sector. Yet sectoral policies and investment programmes focus on the activities of a number of restricted line ministries. This has often achieved improved sectoral management, but sometimes at the cost of a narrowly focused set of policy objectives. Where the policy context is predominately sectoral it can be difficult to achieve "joined-up" policy. In addition, line ministries often have much closer links with quite restrictively defined civil-society organizations (e.g. Ministries of Agriculture with farmers' unions). None of these facets of sectoral policy is inevitable, but it can mean that adopting an SL agenda, or policy objectives places additional demands on a limited technical capacity at the ministry level.

The rest of this paper explores in more detail the implications of the SL approach for development policy. It then examines what characteristics of the policy process might be consistent with and supportive of a sustainable livelihoods agenda. The types of organizations that could play an active role in influencing policy are discussed, along with the ways in which external agencies could build their capacity to undertake that role. Finally, the implications of the SL framework for public expenditure management are explored.

It could be argued that the approach taken in this paper is somewhat reductionist. Certainly it starts from the perspective that change in the policy process is likely to be gradual, and will require improved understanding by analysts and policy-makers of the heterogeneity of livelihoods and increased participation in the policy process by communities and civil-society organizations. This is most likely to come about through better understanding of existing policy processes, and where improved capacity can have the most impact. At the same time, a number of countries, particularly in Africa, have improved their public-sector management through the application of instruments for planning and economic management that are not necessarily conducive to the SL approach as presently used. The view taken here is that stable economic management combined with good public-sector practices is an important component of an enabling environment. Ways must be explored to make the two compatible and mutually supporting.

Some would argue that a more radical approach is needed (UNDP 1998b). The development of sustainable livelihood systems is a complex policy issue because of the heterogeneity of livelihoods, and because they evolve in a context of unpredictable change. Rather than simply adapt existing methods of policy analysis, which tend to be sequential and cumulative, a truly holistic approach would require the evolution of a complex adaptive management system. Such systems are beginning to be adopted in a few private-sector organizations in the United States, but there is little experience as yet in the public sector.[3]

POLICY-LIVELIHOOD LINKAGES

There is a considerable literature on the impact of policy, particularly macro policy, on poverty and food security.[4] Much of this work was initiated in response to concern about the impact of structural adjustment programmes on the poor, and it has considerable relevance to the SLapproach. However, it can and should be reanalysed within a broader context.

Figure 2 shows an initial attempt to adapt an approach taken in an FAO food security manual in order to identify some of the more important linkages between policies and livelihoods, at macro, meso and micro levels. Policies, whether macroeconomic or more sectoral or structural in nature, are channelled through meso structures, which may be countrywide, such as markets [5] and legal rights, or more decentralized, through local government implementation. In some cases these two meso structures may be interrelated. At the micro level, the impact of policy on both assets and vulnerabilities may be experienced either at the individual or household level, or at the community level, which in turn affects livelihoods. The diagram abstracts from different tiers of government, but could be disaggregated to examine this in more detail. Different modes of implementation could also be included.

The SL lens focuses on assets, diversity of livelihoods and vulnerability to shocks and stresses, rather than simply on income or food-related outcomes. The linkages should not be simply one dimensional, such as those on impact on income, but should be qualitatively and quantitatively identified in terms of impact on different types of assets and also the vulnerability of the livelihood opportunities arising from those assets. For example, trade liberalization may increase the opportunities for accumulating financial assets, but also increase vulnerability to global price movements. There

is still a great deal of work to be done on how decisions in various policy areas can affect not only asset accumulation but also vulnerability and adaptation.

One area that deserves broader attention is identification of the opportunities and costs for risk-proofing. This is an area that is currently being examined in the context of disaster and drought management but could be applied in a more general context.

DESIRABLE POLICY CHARACTERISTICS

Although, as pointed out earlier, developing appropriate policy to support and enhance sustainable livelihoods is specific to a given situation, some general desirable characteristics of a development policy can be identified. There are also specific challenges and issues that an SL-friendly development policy has to address.

Policy objectives

Good policy, in whatever area or sector, has clearly identified objectives. In an SL context, these should be stated in terms of improving access to assets and reducing vulnerability. These need not be the only objectives of supportive development policy. Economic growth, environmental sustainability and macroeconomic stability are only a few of the other possible objectives for a development policy. These could be different elements of an overall development "vision", but that vision must be coherent and consistent and, from an SL perspective, must place SL objectives in the forefront. For the policy to have substance, the objectives must also be concrete and translatable into targets. As will be discussed in more depth later, this raises the issue of indicators of vulnerability, and how success in reaching these targets can be measured.

Policy coordination

Sustainable livelihoods do not divide easily into sectoral pigeonholes. A given household's livelihood strategies will usually be multisectoral and interdependent. Yet most policy formulation and implementation currently undertaken is done so on a sectoral basis. Coordination and prioritization are the responsibility of planning or finance ministries. Where there is a well-constructed multisectoral policy or plan, centred on SL or anti-poverty objectives, then effective use of public expenditure techniques can provide an appropriate mechanism for achieving a coordinated policy approach. As long as implementation is along sectoral lines, however, this requires a careful exploration of the implications of the overall integrated policy for individual sectors.

Decentralization may allow for better coordination in policy implementation, and even in policy development, but much depends on the degree of autonomy and financial devolution given to the regional and district authorities.

Where policy itself is developed on a sectoral basis, this places a heavy burden on the coordination process if a coherent approach to sustainable livelihoods is to be achieved. A review of the history of developing coordinated policy for food security shows the difficulties in integrating, for example, agriculture and health policy. The sectors that have to be coordinated for an SL approach are potentially much more numerous. Note should be taken of the challenge of integrating a sustainable environmental policy with an anti-poverty approach. This was an important element in the genesis of the SL approach, and though an important aspect of individual projects, it has perhaps been sidelined in some of the more recent conceptual discussions.

Coherent approach to international policy and commitments

Coordinated domestic policy has to be reinforced by the commitments and international policies to which both northern and southern governments agree to implement. This is important not only in order to have domestic and international policies pulling in the same direction, but also because in many important areas, such as trade policy, debt relief and conservation, SL-friendly domestic policy requires supportive international agreements.

Role of the State

An enabling policy framework must be clear and transparent about the role the State expects to play in enhancing sustainable livelihoods. What does the State regard as its obligations in, for example, service delivery? What kinds of safety nets, if any, does it plan to provide, and under what circumstances? What changes are planned in the legal framework that may change individual rights to property, land and access to the legal system? What role is envisaged for the private sector, and what regulation will be put in place? It is important that the State be guided by a clear anti-poverty strategy, but it is also important that the functions of the State be clearly set out. Livelihoods are

often negatively affected by unpredictable State action. The rationale for State intervention and the provision of services must be clear, and implementation must be in accordance with an overall anti-poverty strategy.

Realistic targets

The setting of realistic targets – realistic from the point of view of available public resources and also in terms of technical and administrative capacity to deliver – is an important step in moving from a commitment on paper to an active and operational policy. The challenge here, particularly for health and education services, is, within given resources, to balance quality of service with an improvement in access. This is not unique to the SL approach, but this approach places particular emphasis on improving access to assets, markets and services. One way forward may be to rely on greater prioritization of services within the community itself. This would then have to be fed back upstream into district and regional plans for the relevant ministries.

There may be areas where the trade-off between maintaining quality of services and improving access is quite limited, perhaps because the cost of maintaining access to a given quality of an asset, service or market is small. It would be useful to identify these situations where they exist.

Policy monitoring

Monitoring of policy implementation is closely linked to the setting of realistic and practical targets for policy. These targets can then be translated into measurable indicators. The area of appropriate indicators for monitoring the success of sustainable livelihoods approaches is both important and complex, and deserves more discussion than can be developed in this paper. However, certain elements can be extracted from experience so far, in particular at the micro level. (Ashley & Carney 1999). Non-income aspects of livelihoods, such as improved access and reduced vulnerability, are difficult to measure but are often better indicators of achievement than, for example, monetary income measures. At the project level, it is important to negotiate indicators with the relevant stakeholders and the poor. Some variant on this could be developed for monitoring policy progress and impact. To the extent that policy can be made more participatory in its formulation, the identification of relevant indicators, which are recognized as measures of achievement, could be part of the overall policy process. The major challenge of identifying, at national or subnational level, indicators that capture important elements of extremely diverse livelihoods is unlikely to be met completely, but it may be possible to improve on the rather aggregate measures of income often used to measure changes in poverty.

THE POLICY PROCESS

Existing policy processes – a caricature

Different disciplines simplify and caricature the policy process in diverse ways (Sutton 1999). Economists often adopt simplifications that are technocratic and also linear in nature. A policy issue arises and is put on the agenda either because of pressure from agents external to government, such as aid donors or domestic lobby groups, or because it is on the government's own political agenda, which maybe expressed in some form of manifesto or from internal debate.

Once an issue is on a government's agenda, there is a process of policy analysis, where possible technical solutions to the problem are explored. These solutions arise from a bounded set, bounded by perceptions of what is politically acceptable and often by reluctance to undertake radical change. A policy is agreed on, with or without a process of consultation with stakeholders, and then implemented. Unless there is clear evidence of the policy being dysfunctional, for example through vociferous public demonstration, then the issue will be regarded as resolved.

This is clearly a simplified model (similar to that illustrated in Figure 1), the elements of which are reasonable representations of reality in some countries, but it is unlikely to describe any one country's processes accurately and may in some cases be actively misleading. However, it does have two important characteristics that are representative of many countries: it portrays the policy process as being essential-

ly top down; and, with it, communities have an extremely limited formal role in policy process determination.

An SL-friendly policy process would indicate a much more active role for communities. Policy should reflect their own perceptions of their opportunities and their livelihood strategies, rather than relying almost entirely on those of rather remote policy-makers. Communities should play a part in setting priorities. The policy process should emphasize feedback loops rather than linear structures.

This may seem a rather utopian approach, compared with those currently found in many countries, where communities play virtually no role at all in the policy process. Until recently, good practice was where policy analysts took account of the findings of participatory rural appraisal (PRA) exercises when developing their approaches to poverty reduction. This situation is gradually changing. In Uganda, for example, a participatory poverty assessment (PPA) project has been an important input into the National Poverty Eradication Action Plan. In Namibia, both the Agricultural Policy and the National Drought Policy were extensively discussed in a series of regional workshops with stakeholder organizations, before being finalized and presented to parliament.

A more participatory policy process

In the north, there is a common perception (except amongst political scientists!) that democratic process, whereby governments are elected at regular intervals, goes some way to ensuring public accountability and responsiveness, which are among the important elements of good governance. Closer examination indicates that most electoral processes give citizens little opportunity to have a direct impact on policy, hence the importance of lobbying organizations, single-issue NGOs and other forms of civil-society organizations.

FORMAL PLANNING PROCESSES

Some countries in the south have introduced and funded direct participation in the formal planning process. This has taken different forms. In Uganda, the Plan for Modernisation of Agriculture (PMA), which is currently in draft form, starts the process of prioritization from the areas of action for increasing agricultural production identified by the Uganda Participatory Poverty Assessment Project. These are incorporated into the PMA, along with the priorities identified in a 1998 consultative group statement, the outcome of extensive stakeholder consultation. Poor people themselves identified increased consultation of the people, especially women, as imperative for poverty reduction, and the PMA envisages a participatory element in its implementation, for example in the development of appropriate indicators for monitoring that are location, group and farming-system specific. Uganda is clearly taking on board many of the issues arising from an SL approach. The country is still operating in a basically sectoral framework, while trying to ensure coherence among the different policy areas. The process is at an early stage and should be monitored as one possible way of creating an SL-friendly policy context.

In South Africa the new government prepared a discussion paper on agricultural policy during 1996-1998. A complex process of consultation and preparation was established, involving groups preparing drafts on key subsectoral questions. The majority of participants were from outside government, including NGOs, academics and the private sector. From these contributions, a process of synthesis was used to prepare a coherent draft, which was then discussed in a wide range of fora all over the country, which was the basis of the final version.

The use of participatory poverty assessments as a means of providing a channel of influence for the poor is being used in a number of countries. Box 1 discusses the objectives of the ongoing PPA in Pakistan.

BOX 1

THE PAKISTAN PARTICIPATORY POVERTY ASSESSMENT

The Pakistan PPA aims to strengthen awareness of poverty through undertaking in-depth field studies that use a variety of qualitative methods. This approach focuses on the views and experiences of the poor themselves, thereby generating a richer understanding of poverty issues. The output of these investigations is not a report but a process of change. More than a study, a PPA is a way of bringing the voice of the poor into public debates about poverty so as to promote dialogue and reflection about policy and action. Better understanding is a means to an end: that of more effective action to strengthen livelihoods, involving a wide range of actors. In fact, the purpose of the Pakistan PPA has been specified as "to give voice to the poor in the planning and implementation of policies and programmes to reduce

poverty in Pakistan".

However, use of a PPA is not the only way to give people a voice in the planning process. Eritrea has adopted an approach to developing its current five-year plan for agriculture that is based on a series of participatory workshops. This started at the sub-*Zhobal* level, where representatives of the various *kebabis*, or village groupings, met to develop profiles of the agricultural sector in their areas. These were then discussed at workshops at the *Zhobal*, or regional level. The resulting *Zhobal* profiles were developed centrally into the five-year plan. This obviously begs the question of the nature of the *kebabi*-level committees, which represented their communities at the workshops, and the extent to which they included the positions of women and marginalized groups, a problem that exists with all participatory approaches that work through existing power structures.

Any participative process that culminates in a national policy or plan is going to face issues of aggregation. The essence of the livelihoods approach is an acknowledgement of diversity, which sits uneasily within a conventional five-year plan. Ultimately the aggregation is carried out by policy analysts and civil servants, who often end up implicitly making decisions on areas of potential conflict over priorities and access. One possible way forward is to incorporate a process of ratification of plans and policies. This however can build in an extremely time-consuming set of processes of participation in initial policy formulation and then ratification. Another possibility is for policy and plans to place more emphasis on the implementation process and incorporate aspects of participative feedback, in monitoring and assessment.

CIVIL-SOCIETY ORGANIZATIONS

In practice, most citizens who influence policy, whether in north or south, do so by working through some collective action or civil-society organization. These can be based on activity or profession, such as unions, or on the promotion of an issue or a collection of issues, such as local and national NGOS (and, in the international arena, international NGOs) or they can be location-based committees and organizations. They can represent their members' interests in a number of ways, including lobbying, representation on public bodies and participation in consultative processes.

In many developing countries, lobbying can be seen as a difficult and risky activity. It requires resources, and specific skills, plus confidence in the robustness of the position an organization is taking. Box 2 explores some of the issues Oxfam (GB) identified when reviewing the success of its support to local partners in Kenya.

BOX 4

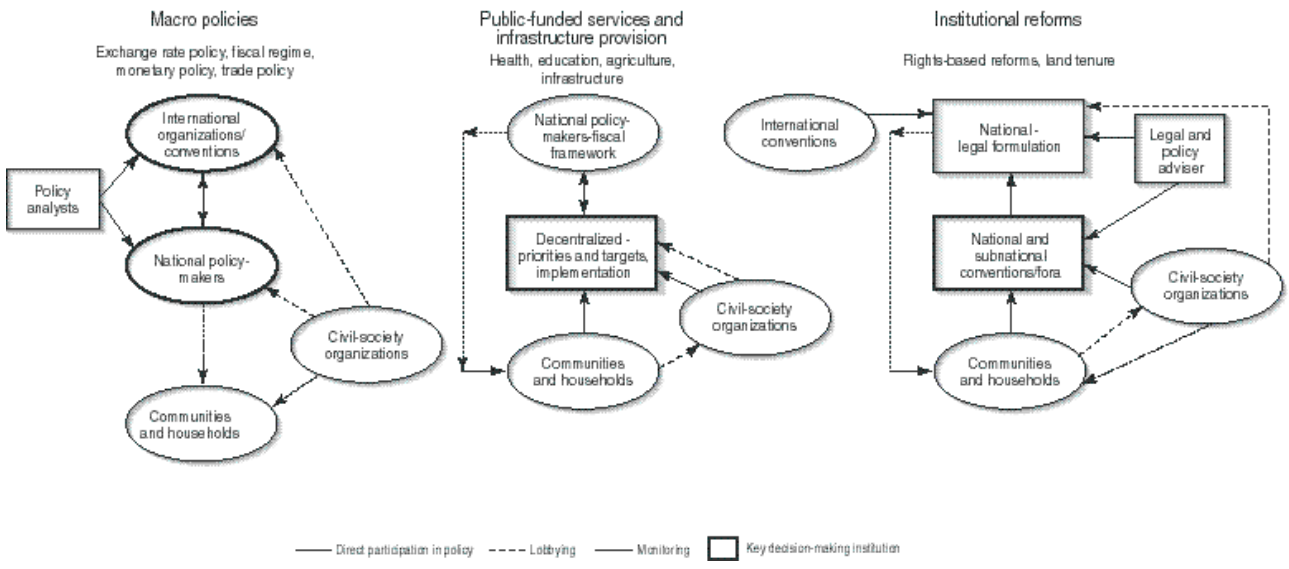
INCLUDING WOMEN IN THE POLITICAL PROCESS IN RAJASTHAN, INDIA

Although the Indian constitution has guaranteed equal rights to women since Independence, in the more conservative regions of the country, such as Rajasthan, this has had little impact on women's position, which is circumscribed by traditions of patriarchy, feudalism, child marriage, arranged marriage and, for women of higher castes, seclusion in purdah. Eighty percent of Rajastahni women are illiterate.

In 1992, the Seventy-third Amendment to the Constitution, or Panchayat Act, was passed, which not only established elected village councils, or *panchayats*, throughout India, but required that one-third of the seats of these councils be reserved for women. In addition, one-third of all *sarpanch*, or village chief, positions had to be filled by women.These village councils deal with local civic affairs. In 1995, the first year the amendment took effect, more than 3 000 women *sarpanches* were elected in Rajasthan.

The extent to which women *sarpanches* have been able to have an impact on local affairs is mixed.However, in spite of predictions that women *sarpanches* would mainly be proxies for husbands or male relatives, a recent study in three of the most patriarchal states showed that two-thirds of women were exercising power on their own behalf. Almost half of those elected came from lower castes and scheduled tribes, and more than 40 percent came from households below the poverty line.Elected women members of the *panchayat* have provided a conduit for other women to male *sarpanches*, who otherwise would have been unapproachable.In some villages, improved access for women has resulted in civic funds being allocated to income-generating projects. Women have also been able to take husband and wife disputes to the village council, and in some cases have achieved more equitable outcomes than those dictated by tradition (Weaver 2000).

FIGURE 3
SL-friendly policy processes



BOX 2

CAPACITY-BUILDING WITH CIVIL-SOCIETY PARTNERS FOR INFLUENCING POLICY

The capacity of civil-society organizations to participate in the policy process is a factor in the extent to which that process reflects and supports an improvement in livelihood opportunities for the poor and marginalized.

In a review of its support to local partners in the area of conservation, or low external-input sustainable agriculture, Oxfam in Kenya noted the lack of any impact of these activities on the policy process (Oxfam 1997).Although there had been some success at the project level, this was not being reported in a wider context, to inform policy-makers. The Kenya Agricultural Research Institute (KARI) regards NGOs as potentially influential in changing the research agenda, but Oxfam's local partners, who were generally quite small and locally based, were not exploiting this outlet.At the time of the review, they had little if any experience in lobbying or in other ways of trying to influence policy issues. Oxfam felt that one constraint was that their partners had insufficient documentation and monitoring of their project experience to present it effectively on a broader stage.The review recommended that Oxfam (GB) Kenya build the capacity of partners to engage in policy debate with research institutions and ministry officials, and, in conjunction with its local partners, improve contacts with media and then use these contacts to develop campaigns on "organic" farming.

A review of project impact carried out two years later concluded that little progress had been made on this issue (Oxfam 1999). One factor may have been a gap in knowledge, interests and perspectives between staff of local NGOs and Oxfam staff.The immediate policy issues under consideration also required the forging of a link between national policy and international markets, and therefore required collaboration between national and international partners.

Civil-society organizations also need access to policy-makers to put their points across. Unions often have easier access to ministries and politicians than issue-based organizations. In the agricultural sector, however, this access can be biased in favour of large-scale farmers, whose unions tend to be better funded and who often can employ highly skilled professional to make their case for them.

Another way that civil society organizations gain access to the policy process is by being represented on public bodies. Box 3 examines the experience in Ghana of including farmer organizations in the research process.

The scope for this kind of activity varies considerably from country to country. In many countries, quangos (for example, in the education sector, or in research) are run by nominated boards of trustees, or have advisory bodies where civil-society representation could be effectively included. This could provide a potential link between the grassroots and the policy process.

The difficulties faced by RELCs in Ghana have, in

part, been attributed to a weakness of farmer-based organizations (FBOs). While some strong FBOs exist in Ghana, they are the exception. Without strong and representative FBOs, agricultural producers seem destined to continue to be underrepresented in structures such as RELCs.

BOX 3

STAKEHOLDER PARTICIPATION IN SETTING RESEARCH PRIORITIES

In Ghana, research-extension linkage committees (RELCs) have been formed for each of the country's five agro-ecological zones. These RELCs jointly determine research and extension priorities and plan and promote joint training sessions, field visits, workshops, field days and on-farm trials. Farmers and NGOs are supposed to participate in these sessions, with the objective of generating greater collaboration and communication among researchers, extension workers and farmers. The RELCs also aim to make research, development and transfer of technologies more responsive to the needs of the farmer, and make extensive use of PRA methods to identify key issues on the ground.

In practice, RELCs have had a limited impact. Farmers have not been properly represented, and, as a result, a recent CORAF (Le Conseil Ouest et Centre Africain pour le Recherche) report suggests that farmers' issues have not accurately been presented to the committees. The committees themselves have been dominated by crop-based research and extension staff. Women farmers and processors, in particular, have been unable to influence RELCs.

Less formally, civil-society organizations can be included in consultative processes and networks. In Namibia, for example, the Division of Rural Development in the Ministry of Agriculture, Water and Rural Development, has a rural development committee that includes members of NGOs, international agencies and civil servants, who meet on a regular basis to discuss policy and programme issues.

In Rwanda, UNDPhas assisted in the establishment of a number of thematic consultation groups, which are chaired by government officials but include representation from NGOs and international and bilateral agencies. So far, some of these groups do little more than share information and identify possibilities for collaboration. Others have made a significant input in strategy development.

The hope has been expressed that decentralization will bring public resource decision-making closer to the people. As yet there is not much evidence that this is happening, but in many countries this process is at a fairly early stage. In Kenya, decentralizing has had little impact on popular involvement in policy-making, whereas in Uganda, the same type of process has had far more effect. Much depends on the degree of autonomy granted to decentralized authorities, and on the devolution of budgetary control, commensurate with responsibility. It should also be noted that decentralized government lends itself more easily to capture by vested interests, if only because the effort and finance necessary to influence policy is usually less than at the national level.

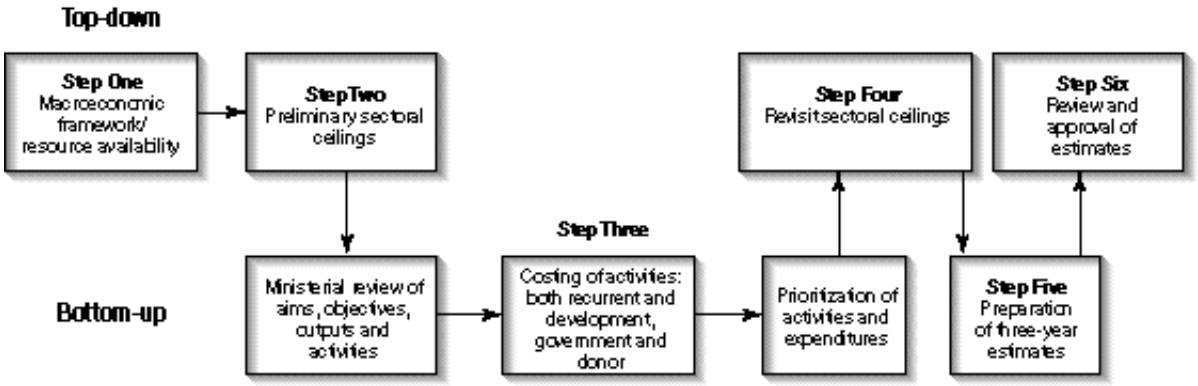
Although in principle the greater involvement of civil-society organizations should open up access to the policy process for citizens, there are a number of important preconditions. First, these organizations must themselves be open and accessible to the grassroots and, in particular, to the poor and marginalized. The organizations themselves must also feel that there are incentives to engage in policy debate, given their constrained resources and manpower. There must be a perception of potential benefit and relevance to their organizational aims.

SL-supportive organizations

The policy process can be seen as the interaction of a

FIGURE 4

The MTEF process



Source: OPM, 1999.

number of different types of organizations and institutions, public and private sector, and civil society, both formal and informal. Except in localized situations, individuals are unlikely to have much influence on policy but have to work through some form of organized or collective action. In a policy process that is supportive of sustainable livelihoods, organizations will tend to have certain types of attributes and structures.

It is difficult to imagine the SLapproach having much influence on government organizations, whether centralized policy units or more decentralized implementation offices, unless they are:

- legitimate (i.e. their behaviour is seen as in line with the generally accepted bounds dictated by representative government);
- competent (i.e. able to perform their duties and functions with acceptable levels of efficiency and efficacy);
- accountable (i.e. responsible to both the government structure and the public for their actions);
- accessible to private-sector and civil-society stakeholders;
- responsive to the situation of vulnerable groups in particular and to those sections of society less capable of lobbying on their own behalf.

Most of these have been elements of the numerous civil-service reform programmes that have been undertaken in a number of countries over the last decade. These have focused on improving competence and accountability through a process of organizational restructuring and revision of salary scales, among other factors. Improving accessibility and responsiveness has, in general, not been given as strong an emphasis as improving efficiency. A more efficient public sector is an important element of improved economic management and indirectly a more supportive set of structures for sustainable livelihoods. However, responsiveness and accountability to the public should also feature in an SL approach to policy processes.

The private sector has an important role to play in increasing opportunities for livelihoods. Competitiveness and efficiency are key attributes. Monopolistic and oligopolistic structures can reduce access to markets for individuals and emerging small-scale enterprises. Therefore, there is need for a regulatory presence by the State to ensure competitive behaviour and maintenance of low barriers to market entry. This also has implications for the operation of domestic financial markets and the availability of and access to financial capital.

In general it is difficult to establish appropriate incentive structures that encourage the private sector to be responsive to vulnerable groups that may have little or no economic power in the marketplace. This is particularly the case where the taxation base may be limited, thereby reducing the possibility of using tax incentives to guide private sector behaviour. This places a larger burden on regulatory systems. Access to a well-functioning legal system can be another important tool in curbing private-sector excesses, as can a well-defined set of property rights and trade regulations. Where the private sector is the preferred channel of delivery of publicly funded services, this should be controlled by a clearly defined and enforceable contract, which is properly monitored, to ensure that access to these services is equitable and that quality is of the appropriate level.

Civil-society organizations (CSOs) potentially have an important representational role to play. This may not be particularly high in the civil-society organizations' priorities, often because the returns to representing their members in wider networks may be seen, quite legitimately, as being lower than with more immediate activities. Access to resources can be a problem for all civil-society organizations, as can technical and political capacity. Where these organizations are activity based, such as with peasant farmer unions, or geographically based, as opposed to national NGOs, this can be particularly acute. At the same time, collective organization is a necessary prerequisite for any particular section of the community to have any influence on policy processes. There is a real need for capacity-building within CSOs, so that they can analyse at what level, how and over what issues they can effectively lobby or otherwise represent their members'interests in policy fora.

Another source of representation in the policy process, and indeed a locus of policy-making, are the traditional authorities in a country. The nature and importance of these authorities varies considerably, but the general principles hold; the opportunities for sustainable livelihoods for the poor will be enhanced insofar as traditional authorities are seen as legitimate, competent and accountable.

The discussion above has centred on organizations rather than institutions (the rules and regulations, both formal and informal, that determine the context within which organizations operate and the activities that they can legitimately undertake). Formal institutions are, to a large extent, the outcome of the policy process, and therefore reflect the nature and interaction of the various organizations involved in policy-making. Informal institutions, such as caste, patriarchy or religious prac-

tices, are more difficult to modify or address through the policy process, though they are often of critical importance in their impact on livelihood opportunities. In the last few decades there have been attempts to modify informal institutions through the legal process, most notably over issues such as succession to land and the rights of women and children. The process of modifying informal institutions in this way can be slow and often extremely conflictual. Its success in practice often depends on access to the legal system, supportive CSOs and resources. However, the ability to address restrictive informal institutions is an important element in achieving a policy context that is supportive of livelihoods for marginalized sections of the community. One way in which this can be achieved, albeit slowly, is to give political power to the marginalized groups. Box 4 illustrates how this is operating in Rajasthan, India.

SL-FRIENDLY POLICY PROCESSES

An SL-friendly policy process, such as the one discussed above, would allow for much greater participation in the process of setting priorities and formulating overall policy structure. However the nature of this participation and its relevance to the policy process is likely to vary according to the policy area concerned. In some cases, particularly for macro policies, the concerns of the poor have to be reconciled with the need for an economically sustainable macro-environment, and the demands of lending agencies. In other cases, countries may have signed up to international conventions that, in theory at any rate, define some of the aspects of policy choice. Figure 3 illustrates three types of policy process that could be SLfriendly for different types of policy.

The three types of policy shown in Figure 3 – macro policies, public provision of services and infrastructure and institutional reforms – should be taken as illustrative rather than exclusive. For macro policies, it is unlikely that either communities or CSOs can or arguably should be involved directly in decision-making, but access to this process should be ensured for lobbying purposes. Recent international decisions on debt forgiveness have shown that lobbying can impact on macro policies, particularly at the international level. Monitoring impact on livelihoods, particularly by national bodies and through CSOs, is also an important element for ensuring that policy analysts and decision-makers consider the interests of the poor.

Once an overall fiscal framework has been established by policy-makers, there is much greater scope for participation in developing priorities and targets (this is discussed in more detail in the next section).

For institutional reforms, which define people's rights and access to assets such as land, an SL-friendly approach would centre round a highly participatory process of conventions wherein community and citizens' concerns and wishes could be expressed and explored. The formulation of the outcome of those processes into legal institutions would be undertaken at the national level, but on the basis of policy content, as identified with participatory input.

These examples are put forward as highly simplified illustrations. Actual policy formulation never exists in a vacuum, and arises out of complex political processes. However, certain types of policy are more amenable to participation by CSOs and communities, once the process is under way. Particularly where direct participation is limited, access for lobbying at various levels is critical, as is formal and informal monitoring of impact of policy on livelihoods.

PUBLIC EXPENDITURE MANAGEMENT

The discussion so far has centred on the broad policy process. As indicated in the previous section, the delivery of publicly funded services and infrastructure is a particularly important area because participatory processes can have a direct impact on how those services are provided. This cannot be done in isolation, however, but must be undertaken within an overall macroeconomic and budgetary framework, on which national and international pressures impact.

An important part of the livelihoods agenda is to arrive at improved processes of public-sector management that link elements of policy, institutions and public-sector spending. This would combine responsiveness to locally articulated priorities with best practice in policy development and public finance.

Public expenditure management as a tool for improving the policy process

The achievement of policy objectives is dependent on well-developed strategies. An important part of those strategies is effective management of scarce public resources. There is a growing consensus that improving the public expenditure management (PEM) system by focusing on its composition and effectiveness can increase the efficiency of government finances and donor assistance in an integrated fashion.

The systems of PEM that have been introduced in many countries around the world have four basic elements (Lawson 1999):

- strategic planning to define policy priorities, given forecasted resource availability consistent with

macroeconomic and fiscal targets (involving prioritization between sectors in accordance with overall policy objectives);
- budget formulation within agreed financial limits, reflecting intersectoral priorities (assisted by the development of appropriate indicators to achieve objectives);
- budget execution, subject to accounting, with emphasis on operational efficiency in service delivery and the monitoring of delivery against expenditure;
- a process of audit, either by the legislature or, preferably, by an external agent, as part of the review process (an important element of establishing accountability, both to the legislature and to citizens).

In order to achieve these elements, the PEM system must be transparent, predictable, accountable and comprehensive.

One particular framework that has been adopted in a number of countries as a basis for improved PEM is the medium-term expenditure framework (MTEF). This is a top-down process of determining resource availability and allocating those resources between sectors, and a bottom-up process of estimating the actual requirements of implementing policies in each sector (Oxford Policy Management 1999). Figure 4 illustrates this.

Thus there is a two-way process between the centre and line ministries, and possibly to decentralized regional authorities, which can allow for more effective costing and greater autonomy and devolution of responsibilities while maintaining overall tight control of spending priorities from the centre. The successful implementation of a MTEF is dependent on the existence of a disciplined, transparent political process of choice between public priorities. In other words, it is not a substitute for an effective policy process but a tool for translating a coherent, well-designed policy into service delivery.

The two key concepts in this are transparency and accountability. For transparency, both the macroeconomic framework and the specific targets used must be published, in a form that is accessible to the public and comprehensible, at least in general terms. The same is true for the comprehensive budget. A free media can make an important contribution to maintaining transparency and interpreting budgetary processes and outcomes for the public. Transparency is a precondition for accountability, which in itself is multilayered. The executive should be accountable both to the government and to the public for effective use of financial resources in the achievement of agreed goals. The government also should be accountable to the public for the specific objectives, priorities and targets chosen. This in turn requires effective monitoring and *ex post* evaluation of outcome.

Linking sustainable livelihoods to PEM

In a broad sense, insofar as better PEM results in increased macroeconomic stability and more effective use of public resources, then it is supportive of the SL approach. Amore predictable and economic environment increases the possibilities for livelihood enhancement.

Certain aspects of PEM and the use of the MTEF have clear affinities with the SL approach, such as:
- *the cross-sectoral nature:* PEM starts from clearly identified cross-sectoral policy priorities. Depending on the country, this may be developed with a strong poverty focus (as in Uganda). The exercise of developing an MTEF requires concrete decisions to be made, for example, about the perceived importance of health and education expenditure relative to agricultural research. It also involves monitoring and evaluation of line ministry performance in achieving overall policy objectives.
- *an emphasis on transparency and accountability:* This in principle should make the policy process and, in particular, policy implementation more accessible, therefore increasing the possibilities for lobbying and participation.
- *financial sustainability:* Financial sustainability is an important element for the sustainability of the services provided from public resources. This in turn contributes to the sustainability of livelihoods.

There are also a number of entry points where linkages between SL and PEM can be incorporated:
- The setting and prioritization of policy objectives can and should arise out of an understanding of the importance of macro- and sectoral-level policies to the livelihood options of local communities.
- The process of prioritization of expenditure needs within particular sectors should be informed by an understanding of the impact on local-level livelihoods.
- Where relevant, the targets determined for assessing performance should reflect the realities and priorities of the recipient communities.
- Although the MTEF involves a tight control of expenditure targets, these targets can and should be set in such as way as to allow support for local-based initiatives.

From the perspective of donors committed to an SL approach to reducing poverty, the MTEF clarifies where donor assistance fits into the overall policy framework and the relative importance of domestic and external funding. The PEM process also gives a framework for better integration of government and donor efforts to improve the efficacy of public-sector approaches to poverty reduction.

It is also a management process that allows for the introduction of participation into a number of elements. Figure 4 identifies a bottom-up process from sectoral or line ministries to the finance ministry, but this could be extended to include decentralized authorities. The targets identified for the budgetary process could be verified in a participatory fashion. Performance reviews, in particular of the ministries providing services, could and should involve stakeholder participation, as well as a more formal accounting process.

In summary, it is not just the content of policy and the process of policy formulation that should be addressed by the SLapproach. It is also the practice of policy implementation. This is an area that has been addressed in terms both of organizational reform and of financial management. There are opportunities to introduce SL concerns into the latter, and while it is unlikely that the impetus for PEM will arise from the adoption of an SL approach, it can certainly be focused in such a way as to forward SL objectives.

THE WAY FORWARD?

An SL approach to poverty reduction can change analysts' perspective at the policy level in a number of different ways:

- At a fundamental level, an SL analysis may improve analysts' understanding of how existing policy, and the resulting institutions and structures, affect the livelihood possibilities of the poor. In particular, analysis of experience at the micro level may help identify important micro-macro linkages.
- SLanalysis can provide a common framework and language for analysts and policy-makers from different sectors (Ashley & Carney 1999). In some ways, it could be argued that the development of an SL analysis is analogous to Sen's development of the entitlement approach in food security. When Sen's work was first published, some analysts argued that it contained nothing new, that good analysts had taken all the important elements of his theory into account already. However, the presentation of these elements in a generally recognized analytical framework broadened discussion and analysis of the issue in an extremely productive manner. Similarly the adoption of SL terminology may improve communication and broaden the agenda for poverty reduction.
- The more an SL approach underlies the collection of data on poverty, both case study data and survey data, the better the quality of information flowing up to policy-makers. The better policy-makers' understanding of the diversity and complexity of livelihood opportunities facing the poor, the more likely it is that policy choices will improve.
- If the implications of the SL approach are carried to their logical conclusion, then the focus should be not just on policy analysis and policy choice, but on the policy process. Governments have to commit themselves to opening up the policy process at all levels to participation by all stakeholders and, in particular, community-based organizations and representative national NGOs. There are a variety of ways in which participation can be introduced. Policy and plans can be built from the grassroots up, in some areas policy-making can be decentralized and civil-society organizations can be represented on executive and advisory bodies.
- Policy implementation should also be opened up to participation by stakeholders. For example, when establishing an MTEF to public finance management, participation can be built in at the level of setting targets and monitoring performance.
- Civil-society organizations should also be encouraged to develop and assisted in the development of appropriate capacity and skills to undertake effective lobbying to force relevant issues onto the policy agenda.

The fundamental question, both for governments and for donors is, does an SL approach make it easier or more effective to address the issue of poverty reduction, or does it simply provide a different slant on an intractable problem? And if it does provide a practical approach to improving poverty reduction policy, in which of the areas outlined will government or donors get the greatest return for focusing their efforts? Is the policy process so interlinked with policy content that resources should be spread over both?

At present there is insufficient experience to answer any of these questions. The answers may well be dif-

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ferent for different countries. Certain approaches may simply not be feasible in given political contexts. It will also depend on the time frame being considered. Personally, however, I think that the best possibility for achieving a sustainable improvement in livelihoods policy is to focus on increasing civil-society and stakeholder participation in the policy process. This is, however, a medium- to long-term strategy. Some would argue that in the short term, improved understanding of the impact of policy on sustainable livelihoods could give better returns through informing policy-makers.

This raises another set of issues about the present capacity and resources available to appropriate organizations to engage actively in the policy process. Do the poor and marginalized have to have a certain level of assets, in particular physical and financial assets, before they will spend time and effort to influence policy? Equally, if they do not engage directly, will there be any sustainable improvement in policy outcome leading to an increase in assets for the poor? Linked to this is the issue of identifying critical decision points for changing policy. Are there key trigger points in the policy process where stakeholder input can be most effective? One or two well-chosen case studies could be useful in answering this question..

If the rationale for increased emphasis on stakeholder participation in policy is accepted, this has implications for the focus of external assistance. More effort should be put into improving capacity and access for grassroots and community-based organizations, as well as small-scale unions. Such organizations should be encouraged and assisted in carrying out their own analysis of livelihood opportunities, and then use the results as a basis for influencing policy, through representation and lobbying.

Finally, one of the problems in writing this paper was accessing documentation on recent efforts to increase participation in the policy process. Policy content is contained in policy papers and analysis. Mission reports often contain information on the implementation of policy. However, accounts and analysis of the policy process, and in particular the development of policy, can often be found only in studies by academic political scientists, published several years after the event. If our understanding of what does and doesn't work in encouraging participation is to improve, then more effort has to go into documenting process.

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[1] As noted in note 2 of Carney et al.2000, 9: "What was previously referred to in the DFID SL framework and literature as 'transforming structures and processes'is now known as 'policy, institutions and processes'.The change was made to emphasize core issues and increase understanding of this aspect of the SL framework."

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[2] As these norms endure over time, we frequently refer to an organization as becoming "institutionalized".

[3] Agrawal and Yadama successfully use this distinction in their important assessment of the effects of institutional arrangements, market forces and demographic pressures on natural resource management in Kumaon, India.As they state:"Institutions matter. The manner in which communities create, follow, and break formal and informal rules regarding the resources they control, the extent to which their autonomy of action is constrained, modulated, and facilitated by their interactions with the state, and the internal differentiation within communities along gender, case, and class dimensions are critical to understanding how resources will be used"(Agrawal and Yadama 1997:436-437).

TABLE 1

Categories of institution

Category	**Familial (cultural)**	**Communal (community)**	**Social**	**Collective**	**Policy governance**
Basis of relations & practices	Descent- or kin-based	Trust & reciprocity	Societal interest	Contractual interest	Legislative or regulatory

[4] Appiah-Opoku and Hyma propose several somewhat comparable subdivisions of "indigenous institutions"that overlap with the categories proposed here but, like all classificatory systems, are developed to help them analyse several resource management questions (Appiah-Opoku & Hyma 1999).

I. INTRODUCTION

At the beginning of the fifth decade of development, several development assistance agencies (bilateral, multilateral and non-governmental) have started to employ a "sustainable livelihoods approach" (SLA) to programmes for poverty eradication and for the enhancement of poor people's livelihoods (Carney et al. 2000; Farrington et al. 1999). The adoption of this new approach arises in part from some dissatisfaction with and the shortcomings of previous development policies, including integrated rural development, basic needs and others. Recent changes in the institutional and global context of agricultural competitiveness, environmental sustainability and rural poverty also drive development programmes to be grounded on a holistic understanding of people's livelihoods and how they change over time.

Agencies adopting SLAgenerally agree that a "sustainable livelihood" comprises three interrelated components: (1) some combination or portfolio of capabilities, assets (including physical, natural and social resources or capital) and activities, (2) that enable people to deal with events and trends as well as develop various strategies to pursue desired livelihood outcomes, (3) while maintaining or enhancing their capabilities and assets over time. Based on this concept, SL frameworks help diagram the various interrelationships among the events and trends affecting people's lives, as well as the structures (levels of government, private-sector actors, etc.) and processes (laws, policies, institutions, etc.) that influence people's access to and use of livelihood assets.

In contrast with earlier development policies, the SL approach is based on three important and interrelated considerations. First, it "puts people at the centre of development" and focuses on the impact of different policy and institutional arrangements on people's livelihoods. Second, it seeks to be holistic by encouraging an identification of livelihood-related opportunities and constraints regardless of where these occur. Third, it considers the "macro-micro links", or how the design and implementation of policies affect people's assets, and how the structures and processes through which they function can be improved (Farrington et al. 1999).

The policy and institutional arrangements or the "policies, institutions and processes"[1] play a transforming role in driving many of the key relationships that comprise this approach. These structures and processes determine the access to various types of capital, various strategies, decision-making bodies and sources of influence. They affect the terms of exchange between different types of capital as well as the returns to livelihood strategies. They operate at all levels and in all spheres, both public and private, and they influence the conditions that promote the achievement of multiple livelihood strategies. Despite the critical role of these arrangements in devising sustainable livelihoods programmes for the poor, as DFID acknowledges, the "methods for conducting cost-effective, linked policy and institutional analysis at multiple levels are not well developed" (DFID 1999).

In order to improve the analysis and understanding of institutions and sustainable livelihoods, the objectives of this paper are: (1) to improve an understanding of the types of institutions and institutional relationships or interfaces that influence and are influenced by livelihoods, especially those of the poor; (2) to present some illustrations of institutions and institutional arrangements designed to support livelihoods; and (3) to suggest ways in which the methods for institutional analysis might be improved.

The paper is organized into four sections. The next section deals with the distinction used in this paper between the terms organizations and institutions. Based on this distinction, it introduces a proposal for dividing institutions into five related but distinct categories. The assumption underlying this proposal is that thinking about separate categories of institutions can improve development programmes designed to promote the sustainable livelihoods of the poor. Section III briefly reviews how different disciplinary-based perspectives clarify and advance an understanding of institutions. Section IV draws on a range of empirical evidence to explore various types of interinstitutional relationships or interfaces. This is followed in Section V by a presentation of some new approaches to the development of institutions and interrelationships. Section VI outlines some preliminary programme and policy implications that might be drawn from the discussion in the previous sections of this paper.

II. CATEGORIES OF INSTITUTIONS

[5] Admittedly these types of dynamics are difficult to capture without a significant investment of resources in longitudinal analysis.

[6] Rural-urban, regional and international long- and short-term migration, for example, has an extremely long history in livelihood strategies throughout West Africa. Few development agencies, however, have been able to incorporate these dynamics into their development programming.

Development practitioners and scholars tend to use the terms *institutions* and *organizations* interchangeably. When a distinction, however vague, is made between the two words, it relies on the context and the way in which the words are used. For example, the phrases "governmental institutions" and "governmental organizations" might easily (at least using the English language) be interchanged. At the same time, the difference between a reference to "the organization of government" and "the institution of government" is easily recognized. While the former refers to a structure of relationships among offices or agencies, the latter deals with the norms or values that characterize and distinguish those relationships from those that are not governmental. The discussion in this paper is based on the assumption that stipulating a distinction between *institutions* and *organizations* can improve an agency's ability to design programmes that will strengthen the ways in which "transforming structures and processes" contributes to the sustainable livelihood options and strategies of the poor.

The distinction used in this paper is straightforward. The word *organization* is used to refer to a group, association, office, agency, company or firm as a structure of recognized and accepted roles or positions that are ordered in some relationship to one another in order to achieve a specified goal(s). As a result, the words *structure* and *organization* tend to be interchanged (see Uphoff 1992). Structures or organizations matter when we think about ways to promote sustainable livelihoods for the poor. For example, the territorial administration of government services - whether they are decentralized, de-concentrated, or devolved - determines the autonomy and authority with which public and private agencies act, and thereby directly impacts people's livelihood strategies. In remote rural areas, the organization of government (i.e. the presence or absence of a service or agency) not only affects the delivery and availability of services but also influences people's awareness and knowledge of their rights, as well as their ability to exert pressure for changes that affect their livelihoods.

Institutions refers to formal and informal norms, rules, procedures and processes that define the way in which individuals should interrelate and act. As such, institutions do not necessarily have to exist within some structure or be bounded units with physically defined characteristics in time or space. Instead of using an organization chart, as might be done to understand an organization, the operative norms, incentives or rules in practice could be used to identify an institution.[2] Nevertheless, it is important to identify and account for the dynamic interrelationships that exist between organizations and institutions. In an organizational setting, such as a research or extension agency, the structure of positions can influence or reinforce certain operative norms or practices. By the same token, government or donor policies, or even popular or local norms, can change the structure of an organization. To summarize: organizations and structures provide the framework in which processes and procedures are played out, but these processes and procedures can also change the structure of organizations.[3]

Consistent with these distinctions, this paper replaces "policies, institutions and processes", as presented in the DFID SL framework, with reference to five categories or types of "institutions". These categories of institutions are: *familial, communal, social, collective* and *policy/governance*. For the purposes of this discussion, these categories of institutions can be briefly introduced in the following fairly simple and empirically grounded fashion. (Section IV elaborates upon each of these categories.)

Familial (cultural) institutions

These cover a range of descent- or kin-based (clan, lineage, tribe) relations and practices. These are the institutions that people draw upon, or claim, to give meaning and identity to their lives and relationships. While geographic origins may be part of this identity claim, the institutions are not bound by place or location. The "joking relationship" between Bambara castes, for example, provides a special feature to interpersonal relations among Malians around the world. The household is an important familial structure, but familial institutions extend beyond specific households. These institutions prove remarkably resilient as people continue to rediscover and redefine and politicize their ethnicity and cultures in the face of powerful (and global) social and economic forces.

Communal (community) institutions

These are grounded on principles of trust and reciprocity that are commonly tied to shared physical or natural resources. Geographic place and location play a role in defining these institutions. They include a variety of familial-like and "horizontal" institutions including age-based relations and practices, commonly manifested in structures such as age-based work groups that are found in much of sub-Saharan Africa.[4]

Social institutions

These usually embody some principles of trust and reciprocity, but the norms or codes of conduct are derived from a societal interest. These include religious or spiritual-based relationships as well as "vertical" institutions, such as various types of patron-client relations (e.g. the relations between peasants and their marabouts in the Senegalese Peanut Basin) as well as other society-defined groups, such as hunters or blacksmiths.

Collective institutions

These are institutions in which the relations and practices are defined as contractual. In addition to the widely studied common property resource institutions, collective institutions include a range of practices and relations concerning various types of production, marketing and distribution activities. In these "collective" relationships, individuals have a self-defined interest and relationships may take on a market-like nature. The rules of the game, or the working rules, of these institutions are defined principally outside those that characterize familial, communal and social relations and processes. Nevertheless, the overlap between collective and other types of institutions is commonly a source for many of the issues confronting organizations based on market-like norms.

Policy/governance institutions

These consist of constitutional or juridical conditions and stipulations, policies and specific legislation or regulations, as well as the norms that guide public action and conduct, including those guiding the programmes of government technical services. This category covers a broad sweep of institutions, from official or governmental land tenure and property rights laws and regulations to the norms and practices of agricultural research and extension.

Table 1 summarizes the five categories of institutions.

When using these categories of "institutions" or "transforming processes" in designing programmes to promote sustainable livelihoods for the poor, there are four important issues to consider. First, while these institutions tend to be seen at specific points in time, they are important in livelihoods throughout people's lives and across space. The importance of understanding changes in familial relations and practices over time has been accepted for several years. For example, farm-level studies in Senegal's Peanut Basin starting in the mid-1960s, tracking the ways in which changing familial relations created an ebb-and-flow pattern in household livelihood strategies.[5] Equally important, space may be only one part of how these institutions are defined in people's livelihoods. Much of the field-level analysis of familial institutions will continue to be undertaken in geographically defined or "bounded" spaces. But a growing understanding of a whole series of increasingly global social, political and economic dynamics, such as long-distance migration, obliges analysts to find ways to break away from spatially defined familial, social and communal institutions.[6]

Second, each category of institutions includes both formal and informal relations and practices. Responsibilities and operating procedures may be well defined and even codified, but many institutional processes are simply and informally acknowledged as the "way things are done". Similarly, institutions with written rules and procedures are not more advanced or sophisticated than those with unwritten procedures. Consequently, institutions do not evolve from informal to formal. In thinking about institutions, it is the rules in practice that count.

Third, these categories of institutions do not exist in any hierarchical relationship to one another. Familial institutions are not "lower" than collective institutions; nor are policy institutions "higher" than social or community institutions. They are simply different types of institutions, and one category of institutions does not exist in any necessary functional or dependency relationship to any other category of institutions.

Fourth, relationships among categories of institutions can be seen in two ways. First, the overlap between or among institutions influences livelihood strategies. For example, access to fertile valley land in Rwanda often depends on the ways in which the norms and practices of familial institutions are used to take advantage of opportunities for land that are stipulated by the norms of collective and policy institutions. Second, some institutions may be seen as nested in others. Many village-based collective institutions - such as village associations in Mali - are nested in the policy institutions of the government and of the national cotton company. Most common property resource institutions also exhibit this kind of relationship. A less obvious but equally important illustration involves the way in which familial and communal institutions are nested within collective institutions, such as the Malian village associations. In other words, largely externally created arrangements among farmers are commonly based on a series of assump-

tions about familial and communal relations and practices.

The advantage of substituting "institutions" for "transforming practices" is twofold. First, it helps distinguish among institutions and separate an analysis of them into categories that correspond to real-life conditions. In doing so, it does not sacrifice an ability to consider these institutions and their impact on livelihood assets and strategies as part of larger-scale realities. Second, these categories, and their overlapping or nested relationships, help to clarify how various disciplinary perspectives can be used to improve an understanding of the impact of these institutions on livelihood assets and strategies.

III. INSTITUTIONS IN THE SL FRAMEWORK - DISCIPLINARY-BASED CONTRIBUTIONS

Economic analysis

Economic analysis helps to make assessments of and identify decisions related to the costs and benefits of people's choices concerning the creation, allocation and distribution of livelihood assets or capital. By trying to identify the costs and benefits of different decisions, economists offer one way to weigh or consider the trade-offs among various types of human and physical capital investments. More specifically, economists concerned with environmental issues also assist in the evaluation of the direct use, indirect use and non-use values of natural assets. Finally, some economists have started to improve the understanding of social capital and, in particular, how it becomes restructured and more important ("deepened") - not less important - as market-based relations become more significant in people's livelihood strategies (Stiglitz 1999).

Without question, economic analysis - especially in the institutional and neo-institutional tradition - helps to address many key institutional questions. Such questions might include: What incentives stimulate people to make particular choices concerning livelihood strategies? What rules, norms, etc., affect people's access to assets? How do institutional relations and practices influence the ways in which people are able to transform their assets?

Economic analysis also provides especially important insights into assessments of the role and contribution of collective and policy institutions. The "logic" that governs the conditions for practices and relations in collective institutions, such as special incentives, side benefits or even some form of coercion, has become an unquestioned part of how we think about collective relationships and practices. Whether in credit groups, unions or irrigation associations - structures with norms or conditions that do not allow any one individual to be excluded from the benefits of the joint effort - the absence of specific rules or incentives will encourage people to freeload off the efforts of others in pursuit of their livelihood strategies.

Similarly, economic analysis has proven both powerful and highly influential in looking at policy institutions, especially with respect to market-based approaches to the production and allocation of resources. Thinking about people as "rational actors" - a concept drawn largely from neoclassical economics - allows analysts to identify the incentives that influence how people choose among or invest in different livelihood strategies. In particular, this concept allows economists to examine how "market forces" influence and stimulate people's calculation of the costs and benefits of their livelihood decisions.

Political analysis

For many years, political scientists have drawn heavily on the concepts of rational actors and public choice - as formulated by economists - in order to deal with the classic political questions of who gets what, when and how. Often referred to as the "new institutionalists", these development scholars have significantly improved an understanding of both collective and policy/governance institutions, especially those established to deal with the management of many types of common property resources.

Specifically, this new institutional approach focuses on the idea that special incentives or benefits encourage people to assume the burden of organizing collective action. With the right incentives, new opportunities and options for livelihood strategies might be created. Moreover, by looking at institutions as "sets of working rules", one can identify a range of ways in which people might use various types of rules to bring about organizational change (Ostrom 1990).

In addition, work by political scientists demonstrates the importance of identifying how political ideologies and agendas are used to shape governmental institutions and structures that provide access for some groups or interests at the expense of others. As Bates (1990) notes, we must account for people's political beliefs and values in determining options and opportunities for sustainable livelihood strategies.

Historically, political scientists have identified and described the "transforming structures" - in both the public and private sector - that "set and implement policy and legislation, deliver services, purchase, trade and perform all manner of other functions that affect livelihoods" (DFID 1999). Indeed, the continuing global sweep of democratization has given a new life to a wide range of "democracy and governance" concerns ranging from electoral reforms to identifying the conditions for and effects of governmental decentralization, de-concentration and devolution.

These structures include the constitutional and regulatory rules that protect and facilitate freedom of organization and speech or that set the conditions for the territorial administration of government. The concept of "political opportunity structures" offers a people-centred way of thinking about policy/governance institutions, structures and their interrelationships (Jenkins 1995). Despite the outward signs of political liberalization through elections, etc., various types of administrative rules and regulations may continue to limit access to policy-makers or serve to discourage some from organizing to defend their interests. For example, the enforcement of complex registration procedures and high registration fees continues to be a commonly known means of controlling the emergence of popular groups.

This concept also encourages a closer examination of the democratic impact of territorial decentralization, de-concentration or even the devolution of governmental authority. As Uphoff (1997) notes, the territorial decentralization of government does not necessarily lead to increased governmental accountability or to the enhancement of local people's capabilities. In a similar fashion, the operative norms within public agencies exert a significant influence on people's opportunity structures and their options for livelihood strategies. Private bargains based on the use of public rules and position for personal gain often characterize the relations among field-level governmental agents and local people in many natural-resource management programmes.

Anthropological analysis

For many in applied research and development work, anthropological inquiries - especially ethnographic and kinship analysis - continue to inform their field-level inquiry and practice. As the continuing debate over the moral economy, political ecology, etc., of peasants attests, anthropological tools are indispensable for understanding not only the relations and practices of familial, communal and social institutions, but also a range of interinstitutional relationships that are directly relevant to assessing people's livelihood strategies.

Anthropologically based and ethnographic inquiries offer important insights (and field research methods) into the cultural constitution of "community" and the ways in which people draw upon their intertwined cultural and value systems to give meaning to their lives and relationships. Claims of descent to clan, lineage, tribe or caste continue to be used to acquire and deny access to capital and physical and natural resources. Thus, an identification of lineage relationships helps one understand the cultural structure of access to and control over productive and reproductive resources. Moreover, by examining how people adjust, and sometimes transform, their culturally based identities and relationships in response to changing socio-economic, historical and ecological forces, analysts gain insight into the dynamic and evolving ways in which people call upon stratification systems and ethnicity to create their livelihood strategies.

The concept of "organizing practices" (and more specifically, how institutions "transform" livelihood decisions and strategies) is one way to think about this type of change. This concept draws attention to the ways in which individuals organize themselves in their everyday lives and how they use networks of cultural and social relations in defining and giving meaning to their livelihood strategies. Instead of looking at "bounded" or "traditional" relations, norms or rules, this concept encourages the identification of the "flow of action", or what is going on, why it is going on and who engages in it, with whom, when and how often. Further, through this type of inquiry an appreciation of how people use and give meaning to "repertoires" of different lifestyles, cultural forms and rationalities can be developed. In short, this concept prompts us to identify those "larger frames of meaning and action" that individuals might use in choosing livelihood strategies (see Long 1992; Nuijten 1992). Such concepts offer interesting insights into understanding "rural folks'increasingly problematic model of the village community". As van Binsbergen (1998) argues, the changing communication technologies that are critical to the process of globalization open up "new spaces and new times within new boundaries that were hitherto inconceivable"; the "socially local" is no longer necessarily the "geographically near".

Sociological analysis

Farming systems researchers discovered many years ago that households could not be seen as homogenous units. Inequalities and negotiations over the distribution of work and resources, by sex and age, prevail. In short, households are comprised of differing interests that influence decisions concerning the options to pursue as well as the outcomes of livelihood strategies. A family's welfare commonly depends upon the life stage of the household, as well as the gender division of labour and access to earnings. More specifically, it is important to understand the ways in which variations in household leadership and dynamics influence which members have access to various sources and types of capital.

Consistent with this multidimensional perspective on households, sociological analysis directs attention to the ways at the "community" (village) level that people use their differential access to capital to mobilize allies and supporters in ongoing negotiations over property rights, production and exchange. Just as households are not homogenous units, communities or villages are the terrain for shifting patterns of conflicts, alliances and manoeuvres. Villages are not "havens of peace and tranquillity", and it is important to understand livelihood strategies as being designed and carried out in a context of social interdependence and support that is also fluid and contested. Decisions based as much on community relations as on calculations of self-interest may influence livelihood strategies (see Anderson 1994).

Summary - our disciplinary-based tools

This brief overview indicates that the questions raised in several disciplines are useful for developing methods that could respond to DFID's concern for "cost-effective, linked policy and institutional analysis at multiple levels". At first glance, the applicability of some of these disciplinary tools might appear limited to specific categories of institutions (e.g. applying rational actor analysis only to collective institutions). The continuing convergence of methodological and conceptual concepts and approaches across the disciplines, however, encourages more cross-disciplinary approaches. Moreover, the designing of more cross-disciplinary field research on the transforming role of structures and institutions in sustainable livelihoods might also relieve many of the normative and conceptual tensions raised by currently defined disciplinary approaches (Bates 1990; see e.g. Bromley 1998).

Based on this outline of different disciplinary-based perspectives on institutions, the next section returns to our five categories of institutions to explore various interinstitutional "interfaces" as well as structural-institutional relationships.

IV. INSTITUTIONAL INTERRELATIONSHIPS

Livelihoods and livelihood strategies are crafted and played out within the context of various and varying sets or matrixes of institutions. Interinstitutional relationships often provide the sources of capital upon which people draw in order to craft and pursue their livelihood strategies. These relationships may also create the opportunities to generate new forms of capital. (In fact, one of the most significant contributions of sustainable livelihoods programmes may lie in the attention given to promoting opportunities for the regeneration of various types of assets or capital.)

Despite the significance of interinstitutional relationships to capital regeneration, the review of these relationships and how they influence access to and the use of livelihood assets has been limited. DFID examines only, for example, what is called the "governance structure", or the overall relationship between the transforming structures and processes and communities and individuals. Consequently, in order to sharpen use of the SLframework in development planning, this section identifies and explores a variety of institutional, as well as institutional-structural, interrelationships. Special attention is paid to the ways in which these interfaces influence the creation and transformation of, access to and accumulation or reduction of assets. Insights from such an exercise should help to design development activities that respond more effectively to the multi-institutional characteristic of peoples' livelihoods and livelihood strategies.

Familial institutions

Families and kin networks - familial institutions - have the primary responsibility in society for the care of children and the elderly. These institutions and descent-based claims also exert a powerful influence on the opportunities for and organization and assurance of livelihood activities. Throughout most of sub-Saharan Africa, these institutions determine who can access, mobilize or control different types of capital. Strong norms and customs determine the allocation of land and labour among individuals by gender, age and marital status. These same norms control access to other forms of capital, including financial, physical

(supplies and services) and, perhaps most important, human - especially education.

In many parts of the world, these norms incorporate a powerful gender bias against women. Men tend to control most productive and reproductive decisions, as well as household expenses.

Familial norms usually discourage education for female children and thereby seek to limit their capabilities. At the same time, these norms permit women (not without some additional burden) to cultivate individual or personal fields (usually the less fertile areas of a family's holdings and frequently without secure tenure rights) that can be used to help enhance their own portfolio of resources or gain access to new or additional assets.

These same norms may also allow or encourage women to acquire special knowledge about natural resources such as medicinal plants, trees and tree products (Bergeret 1990). In many parts of Africa, this special knowledge is a source both for assuring family well-being and of income for women. Familial norms underlie and also exert an important influence on the definition of gender-based access to different assets and types of capital. Without attention to the interrelationships or interface of familial with other institutions, however, "(women's) projects" that commonly seek to respond to interests defined only in familial terms frequently fail to generate long-term investment opportunities for women.

Policy/governance institutions, especially those addressing property rights, land tenure and access to credit, often reinforce the limits, as defined in familial institutions, on women's access to assets. As more democratically based institutions arise in many countries, the reform of such laws and regulations are becoming part of the new political agenda. Shortly after the 1991 coup d'état in Mali, for example, the Rural Estates General and the General Plan for Rural Development called for important changes in land tenure and resource management laws that would directly benefit women (Bingen 1994). There is, however, an unfortunately increasing number of societies seeking to rebuild from years of armed conflict or genocide that have left a significant number of households without male members. In these societies the continuation of these laws and regulations leaves many surviving wives without secure access to land or access to financial capital to help reconstruct their lives (Barriére 1997).

In response to constraints defined by familial institutions, and sometimes reinforced by policy/governance institutions, a variety of community and social institutions frequently provide women important opportunities for asset accumulation and improved family welfare. Throughout most of Sahelian Africa, for example, women look to communal norms and practices for jointly collecting and processing shea nuts. In many areas, individual sales from the product of these joint endeavours may represent as much as 60 percent of a woman's annual income (Simpson 1999).

In collective or market-like institutions, family and kin relationships may embody several advantages - at least until more collective or market-like interests become established. In principle, these relationships may limit opportunistic behaviour. Kin relations may be called upon as a rationale for pooling resources, and because of their affective ties, family members may make claims that shared language, moral standards and expectations provide a foundation for their "stake" in a more collective-based institutional relationships (Ostrom, Schroeder and Wynne 1993). As frequently observed, however, conflicts and patterns of authority in familial institutions can spill over and impede the effectiveness of collective institutions to deal with technological change or economic opportunities.

Communal (community) institutions

The establishment of these institutions draws upon existing sources of social capital. In turn, through relations of trust and reciprocity, these institutions help renew or create new forms of social capital. Since geographic location contributes to the definition of these institutions, the institutions frequently arise to manage or deal with some conflict related to physical and natural resources.

In southern Mali, for example, an externally funded participatory research programme for natural resource management helped villagers in six villages diagnose and deal with the natural resource degradation by outsiders of their forests and pastures. In the absence of effective policy/governance institutions - governmental rules and regulations - the villagers created SIWAA, an intervillage group designed to control wood exploitation by outsiders and restrict access to pastures for non-local livestock herders. Drawing

[7] See Ribot 1998 for some interesting insights into this issue that arose from the combined use of "access mapping" and commodity chain analysis to the charcoal trade in Senegal.In Ribot's words, "real markets are highly structured by a whole range of policy and non-policy, legal and extra-legal mechanisms"(335).

upon existing social interrelationships - social capital - the villagers were able to develop accepted norms and practices that allowed them to identify shared problems, gather information about these problems and negotiate and reconcile their differing points of view and expectations. As they produced a new form of social capital through their interaction, they were able to formulate new rules governing the exploitation of forest resources and access to community pastures by non-locals (Joldersma et al. 1994).

The social capital that emerges through a communal institution, however, will often be insufficient to deal with the kinds of issues for which collective institutions are more appropriate, especially in the absence of supportive policy institutions. In the case of SIWAA, villagers were unable to draw upon communal norms to mobilize the collective labour required to build and maintain anti-erosion measures. The continued absence of policies that were supportive of their efforts also jeopardized the longer-term accomplishments that arose from the communities' relationships. Under these conditions, and in order to realize their long-term soil conservation objectives, the villagers would need to set aside customary interests based on trust and reciprocity in favour of those defined on contractual or more market-like interests.

National policies frequently disregard local natural resource management practices (see e.g. Toye 1992). Michael Richards's (1997) work on community property resources and forest management in Latin America illustrates, as well, how governmental regulations erode community property resource institutions by failing to accept the broad-based tenure rights of forestry- and fishery-dependent people. In fact, Richards argues that many natural resources problems are less a function of a "tragedy of the commons" and more a result of inappropriate policy and institutional support that precludes local institutions from achieving environmental and equity goals.

Cases from around the world illustrate other ways in which the governance norms in governmental conservation, natural resource management and forestry departments allow field-level agents to abuse the authority of their positions. In Madagascar, the top-down governmental administrative structure seriously jeopardized any gains from efforts to build on local processes of decision-making and conflict management (Gezon 1997). Similarly, villagers in Arvari (Alwar District, Rajasthan) called on outside support to help them protect natural resource conservation sanctuaries and reserves that had become subject to abuse by forestry officials and by private interests acting with the acknowledgement of government officials (reported in Down to Earth, 15 March 1999).

Social institutions

Social institutions draw upon principles of trust and reciprocity but rely more on broader societal interests that arise from concerns to promote their socio-economic development. Community and sometimes age-based collective-labour groups, such as the *dabo* in Ethiopia (see Abatena 1987) and the *ton* in Mali, are well-known sources for mobilizing responses to a wide range of concerns, from road maintenance to self-help projects. Other types, such as the women's collective shea nut harvesting and processing groups in Mali, represent a long-standing collective tradition among village women that allows each of them access to an independent source of income. In all cases, people develop sets of norms and practices - based on mutual trust and confidence - to mobilize their resources and tackle societal problems.

Islamic financing schemes designed to respect the Islamic prohibition of usury illustrate ways in which the religious (social) norms can be reconciled with basically collective or market-like norms. According to the Islamic laws of *Sharia* in the Koran, charging interest on loans is considered exploitative and strongly forbidden. In response, several collective institutions have been created that embody the social principles consistent with non interest-charging investments.

The *musharaka* is a form of joint-venture financing in which the lender provides the loan without charging an interest rate and under specified conditions, agreeing to share the profits and losses from the use of the loan. Others, such as the *murabaha*, the *mudaraba* and the *quard hassan*, respectively provide working capital financing, trustee profit-sharing and benevolent or interest-free loans (Lee n.d.).

Traditional religious oath-taking by cotton producers demonstrates another form of interface between social and collective institutions. Since farmers had successfully negotiated problems with the national

[8] See also McAuslan 1998 for a discussion of the role of law in restructuring and reform of land relations and land tenure in Africa.While McAuslan concludes that there is no single right way to deal with land reform, he suggests the need for another type of "institutional reform" - namely that the legal profession adopt more policy-oriented norms and innovative approaches to dealing with the practical problems of land management.

cotton company for years, they were shocked and insulted in early 1991 when the company categorically refused to discuss their demands. In response they decided to demonstrate and threatened destruction of the area's cotton ginning factory. While many of these farmers had collaborated over time on various activities, these relationships provided no rules or norms for carrying forward their threatened demonstration. As a result, they agreed to use a traditional religious custom of oath-taking and fetish ceremony for guidance and to ensure success (Soké 1993).

The SOS-Sahel experience with seed supply in northern Ethiopia reveals other ways in which (local) social institutions - through a structure like the *kire*, a mutual insurance scheme to offset burial costs - can interface with (national and international) policy institutions. In this case, the norms and practices of local institutional legitimacy, transparency and accountability provided the foundation for carrying out programmes based on specific targeting, distribution goals and management practices. Local institutions and systems of interhousehold cooperation were not only central to community-level coping strategies in response to food insecurity, but also crucial in building a bridge between relief and development (Pratten 1997).

Collective institutions

These institutions arise from or are created around people's contractual or market-like interests. In contrast to those of social institutions, the rules and norms of collective institutions constrain people's interests that are commonly seen as economic or as embodying some recognized self-interest. These are types of institutions that many development programmes seek to foster in the design of a wide variety of structures, from associations for resource management (irrigation, natural resources) to cooperative marketing or credit groups.

The relationships or interfaces of collective institutions to familial, communal and social institutions are central to understanding many "collective action" institutions. Norms derived from interpersonal, culturally based relations and social networks influence the creation of most types of collective institutions and structures, such as credit and marketing groups. Over time, however, these "founding" norms evolve and become more specifically defined in the context of the collective institution. The continuing and dynamic tension between customary and contractual principles creates one of the most challenging issues confronting leaders of farmers'unions or associations that are based on collective norms (Bingen, Carney & Dembelé 1995).

This evolution of norms in collective institutions from the largely customary principles to interests based on largely contractual principles is neither uniform nor complete. This dynamic relationship has not received much attention and is therefore commonly misunderstood. In fact, it can be argued that much of the continuing either-or debate within the development community over the choice between privatization and governmental intervention as the means to "solve" common property "tragedies" or "collective-action problems" is based on the perception that familial, communal or social norms must evolve into collective norms. The participatory nature of SL approaches should generate the kind of information that identifies, builds upon and improves an understanding of the continuing interplay of these sets of norms. The generation of this kind of information might help analysts move beyond not only the assumptions of a linear development process that are embodied in many development projects but also the current confines of the public-vs.-private debate within the development community.[7]

A major challenge for the sustainable livelihoods approach lies in exploring and reassessing the ways in which collective institutions embody several types of interinstitutional relationships, how these change over time, and how people define their livelihood strategies within this interinstitutional context. Ostrom's (1990) notion of nested sets of rules offers one way of thinking about these continuing dynamics or tensions that are frequently observed in cooperative and associational structures conceived and built around collective norms.

A growing body of empirical evidence addresses these multiple interfaces. Stephen's (1991) study of craft production, for example, found that successful entrepreneurship and self-management helped to reinforce cultural identity. Familial institutions mediate and redirect possible economic conflict based on producing and selling crafts. But at the same time, this economic activity, which as Stephen reported amounted to a commoditization of an externally defined indigenous identity, resulted in a reinforcement of community institu-

[9] The discussion of three cases (migrant associations in Oaxaca, Mexico;the Rajasthan watershed initiative;and natural resources management in Cordillera, Philippines) is drawn from manuscripts made available by FAO/SDAR.These manuscripts are being prepared for publication by FAO/SDAR.

tions. On the other hand, the vulnerability of familial, communal and social institutions to more individualistic incentive norms can significantly alter people's livelihood options. As Richards (1997) found, even though some Amerindian groups respond positively to structures of market-oriented natural forest management, for others these norms clash with their cosmological worldviews and tend to erode the indigenous institutions that regulate extractive practices and incentives to cooperate.

Throughout most of sub-Saharan Africa as well, an ability to understand the "nested nature" of institutions might help us not only move beyond the state-vs.-private-sector debate concerning credit, market and common property management structures, but also improve an assessment of how people pursue livelihood options in an interinstitutional context. In Mali, long-standing interpersonal relations determined the ways in which farmers in the Niger Upper Valley region organized themselves into different village-level groups to access crop production credit and acquire equipment and supplies. As these groups confronted new opportunities for expanding their activities (setting up community health centres or consumer goods stores), they were able to draw upon these familial, cultural and social norms to devise new sets of rules for these new activities. In contrast, as the continuing crises confronting the village associations established by the national cotton agency illustrate, sets of collective norms cannot be imposed over familial and social norms (Bingen 1998; Bingen, Simpson and Berthé 1993).

Policy/governance institutions

Constitutional, legislative, regulatory and administrative norms and procedures both set the stage and influence the ways in which other people may use other institutions to pursue livelihood strategies. As suggested earlier, these institutions and structures affect who gets what, when and how. They also influence who sets what rules, when and how. (see Hyden 1998).

Recent experiences with integrated conservation and development programmes in Madagascar are repeated in other regions (see Silva 1994) and demonstrate how intertwined international and national policies - in the name of development and conservation - can effectively preclude local people from decisions that directly influence their livelihoods. Despite the commitment by project personnel to participatory approaches with local people as full partners, the "larger institutional infrastructure" of national governmental and international agencies' policies and priorities not only keep effective and consistent participation low but also work to benefit certain segments of the population at the expense of others. Promoting sustainable livelihoods requires, as Gezon (1997, 469) an " ... increasingly nuanced understanding of the way local contexts articulate with regional, national, and even international levels of political and economic analysis ...".

As noted earlier, policy institutions may reinforce the rules and norms practised in familial and communal institutions and thereby exclude some - especially women - from access to specific types of capital. Similarly, the operating rules that govern agencies responsible for the development and diffusion of technology may also limit opportunities for some people while creating and strengthening opportunities for others.

Commodity-focused agricultural research - based on norms of scientific inquiry and practice and reinforced by other policy institutions that set the priorities of donor agencies - frequently either does not respond to the needs of small-scale farmers or serves the interests only of more highly capitalized growers. These types of policy norms underlie many of the continuing critiques of "green revolution"-type technologies. They also help to explain why many efforts to restructure agricultural research by introducing farming system programmes have failed. In short, a structural solution is an inappropriate response to a more fundamental institutional issue.

Similarly, identifying the operative policy norms helps to clarify many of the problematic issues raised by most governmental agricultural extension programmes. Goals, specific objectives and ranked priorities frequently drive the organization of extension programmes, the responsibilities assigned to personnel and the system of rewards within this system. (In many instances, these norms arise as a response to governmental budgeting norms and practices that allocate budgetary and personnel resources based on "success" measured in terms of clear "performance" criteria.) For example, with rewards tied to quantifiable accomplishments such as area under cultivation, production or purchases and use of new technology,

[10] See e.g.Diegues 1992; Lane 1992.

[11] See also Reinke 1998 for an economic analysis of a rotating savings and credit association that concludes with a recommendation for more attention to "the requirement of social capital in participatory institutions"(573).

field agents commonly work principally with "model farmers", who often tend to be more highly capitalized or sometimes younger.

While the rhetoric of the "progressive farmer" frequently provides the rationale for this approach, it may create unnecessary and unproductive conflicts that limit livelihood options at the village level (Jonckers 1994). Similar rules and incentives also help explain the short-lived nature of many externally created "extension groups". Not only do many such groups bear little relationship to local-level institutions, but they also are rarely given the opportunity to develop their own norms or sets of practices. Permitting this kind of flexibility and programming would require fundamental shifts in the culture, roles, values and incentives of most research and extension agencies. As Narayan (1999) suggests, agencies would need to move from " ... seeing themselves as suppliers of inputs ... to supporters of inclusive local organizations and enablers of resource flows".

These norms are not uniquely governmental and they also help explain why the distributive impact of many non-governmental programmes may also be quite limited. In the Niger Upper Valley in Mali, for example, non-governmental agencies tended to implement predetermined programmes - discussed and "approved" by villagers - and to limit their activities to villages already covered by the regional extension service (Bingen, Simpson & Berthé 1993).

The growing attention paid to the relationship between human rights, citizenship, judicial reform and the rule of law on the one hand and development on the other offers new opportunities for the poor to use policy/governance institutions to protect and support their livelihood strategies. While agrarian and peasant movements around the world have used the law for years to seek recognition of their claims, many of these conflicts have recently become more broadly oriented to concerns for citizenship, human rights and political autonomy. During the late 1990s, for example, Gareth Jones traced the ways in which several communities (*ejidos*) in Puebla appropriated the Mexican law and legal system to resist State intervention. The provisions of the law and court decisions did not influence the outcome of the resistance, but as Jones (1998) notes, the "law intervened at a number of levels to dictate the course of resistance"[8] (520).

[12] See e.g.Robinson 1998.

V. NEW APPROACHES TO THE DEVELOPMENT OF INSTITUTIONS AND INTERFACES

This section draws on several cases that illustrate the ways in which attention to institutions and institutional interfaces, as discussed in previous sections, is critical to the success of efforts to improve the livelihood strategies of the poor.[9] These cases also illustrate the importance of understanding the dynamic relationships between institutions and structures, as well as the interrelationships between various types of capital and institutional change. Similar to the cases presented as "reasons for hope" by Krishna, Uphoff and Esman (1997), the cases in this section reinforce the importance of understanding the ever-changing, multi- and interinstitutional relationships in sustainable livelihood initiatives. As the cases illustrate, an examination of the institutional character of these initiatives helps us to understand how "change needs to come simultaneously from above and below" (5).

The cases are organized and discussed in terms of three general and common thematic categories: natural resource management, multisector activities and agriculture. Donor agencies and governments frequently use these categories to classify development activities and programmes, but as the cases illustrate, similar types of institutional, interinstitutional and institutional-structural relationships are important to the success of efforts in all sectors.

Natural resource management

Familial and communal institutions, instead of acting as constraints on development - an underlying assumption in many early discussions of "modernization" - enable people to understand and come to terms with change. The combined efforts of both social and policy/governance institutions can help empower people to draw upon these institutions as they seek to design new livelihood strategies.

In the Philippines, after the overthrow of the Marcos regime, new national policies gave indigenous people rights of self-determination over all natural resources within their ancestral domains. Before these rights could be assigned, however, communities needed to settle land claims among themselves and with neighbouring communities. To do so, the people in the Cordillera region, with help from PANCORDI, a coalition of women's groups committed to reviving institutions concerned with ancestral domains, looked to the norms and principles inherent in their indigenous cooperative groups and councils of elders. These

institutions possessed the legitimacy and capacity to deal with these issues, and the women's network helped to build bridges between the local communities and government agencies by "translating" these norms and practices in ways that were consistent with the principles underlying the government's requirements for the preparation of ancestral domain resource management plans. More important, as people drew upon both national law and local customs in order to design these plans, they created a new capacity (social capital) for ongoing collaboration across a range of development concerns.

In a similar fashion, a watershed development programme in Rajasthan highlights how two important changes in policy/governance institutions reinforced people's efforts to draw upon their communal traditions. First, a State-level coordination committee comprised of senior policy-makers helped to find ways of fostering interdepartmental agreements and for modifying financial rules and accounting procedures that allowed government agencies to transfer public funds to the non-statutory user committees. Second, and equally important, bureaucratic norms and incentives were modified in order to motivate field staff to help villagers build their local committees. Despite fairly rigid civil-service rules, the Department of Watershed Development devised several innovative methods for keeping department staff highly motivated and committed to developing effective solutions for the problems they encountered in the field. Field-level personnel were rewarded for being innovative and were not penalized for experiments that failed. With this kind of support, the user committees were able to build upon their successes in achieving self-sufficiency in food, fodder and fuelwood, and take the initiative for new development activities ranging from literacy to savings and poultry- and rabbit-raising.

Another watershed initiative from the Alwar District in Rajasthan demonstrates the contribution that non-governmental organizations can make in helping people rebuild the system of *johads*, a forgotten village (communal) institution whose importance for water management was significantly intertwined with major life events and ceremonies surrounding birth, marriage and death. In the face of considerable bureaucratic opposition, the non-governmental organization TBS (Tarun Bharat Sangh) helped villagers establish clear procedures for mobilizing their resources for the construction and maintenance of johads. Each village devised its own management system and informal structure (Gram Sabha) in which all households were represented and relied on consensus for assigning tasks (Samantaray 1998).

As these cases illustrate, communal and social institutions offer an important foundation and source of strength for policies and programmes designed to enhance the livelihood strategies of the poor. Unfortunately, the cases where these institutions are deliberately overlooked or subverted - often in the name of "development" - are all too common.[10]

Each of these cases illustrates as well the importance of interinstitutional alliances mediated by different types of organizations. In each, non-governmental organizations with a commitment to helping villagers rediscover the power of their social and communal institutions were instrumental in developing responses that combined changes in policy and governance institutions with those in village-level institutions. However, as the work of the World Wide Fund for Nature with the rubber tappers in Rondônia, Brazil, shows, such alliances do not necessarily lead to short-run improvements in livelihoods. Consistent with its own policies and priorities, the WWF did help to strengthen the organizational and administrative capability of rubber tapper organizations. While this helped establish a mutually beneficial relationship with the tappers, it left rubber tapper families feeling economically and socially disempowered. The alliance with WWF did not respond to the tappers' concerns for higher incomes to satisfy physical and material needs or to improve their access to health and education services (Brown & Rosendo 2000).

Multisector activities

Since Geertz's seminal 1962 discussion , rotating credit associations have been characterized as playing somewhat different roles in the development process. For Geertz, this type of association was an "intermediate" or "middle-rung" institution that was "essentially a device by means of which traditionalistic forms of social relationship are mobilized so as to fulfil non-traditionalistic forms of economic functions ... They acted as 'a bridge between peasant and trader attitudes toward money and its uses'" (242). In contrast, Kurtz (1973) argued about ten years later that these associations did not serve as vehicles for capital formation or for training peasants to participate in

[13] This case is based on McKeon 1999.

national economic institutions. Instead, they represented adaptations to poverty conditions that forced people to make survival or livelihood decisions outside of a national or governmental institutional matrix. More recently, others have drawn attention to the role of rotating savings and credit associations in compensating for the failures of existing formal financial markets and their contribution to saving mobilization that provides the working capital for micro and small enterprises (see Kimuyu 1999; Mutua et al. 1996).

Despite these different perspectives on the role of rotating savings and credit associations in development, they all recognize the importance of identifying how the combined institutional and structural features of these associations enhance the livelihood strategies of the poor. The Sri Lankan SANASA help to illustrate this point.

Sri Lankan savings and credit cooperatives, SANASA, operate according to cooperative principles to collect savings from members and disburse the savings as loans. The success of the movement stems from the strength of its primary societies, but until a nationwide reorganization in 1978, these groups were not much more than local savings clubs. This reorganization contributed to a transformation of these cooperatives by redefining significant governing policies in two important ways. First, it put training front and centre and led to the establishment of a national training campus for one-week residential training courses throughout the year. It also empowered district unions to become the primary units for continuing education and for fostering lateral links or exchanges among the societies. Second, it allowed the district unions to assume broader responsibilities as financial institutions and to attract external technical expertise and financial resources.

The success of SANASA is linked equally to the power of its operating principles at the local level. Membership in a primary society is open to all members of a community, including women and the poor, on the condition that they accept the principles of cooperative banking. This gives community members the opportunity to work together on equal terms and to use the society as a forum for discussing problems and resolving conflicts. Moreover, this allows each society to put a community's most valuable resource - money - to use. "By increasingly mobilizing more and more local funds, the societies demonstrate opportunities for growth without relying on external inputs of capital" (Kiriwandeniya 1997, 62). Furthermore, each society has found its own way of ensuring leadership accountability and reducing the possibility of exploitation.[11]

The need to consider the forces of globalization and transnational processes in institutional analysis, and especially in considering the livelihood strategies of the poor, is both increasingly apparent and important.[12] Migrant associations, for example, offer one opportunity to consider these global dynamics and policy/governance institutions as they influence the contribution that migrant associations can make to improve the welfare of local households in the country of origin. In Oaxaca, Mexico, a non-governmental organization, ORO, has been instrumental in helping these associations improve the contribution of remittances to local community development, stimulate more local community initiatives, and attract new financial and technical support. As Oaxacan state government regulations became more supportive of migrants' associations efforts to finance development projects in their home villages, ORO helped several associations to create a new programme for international solidarity. In one case, the New Hope (*Nueva Esperanza*) migrant association emerged as a source of support for a range of development activities, such as financial help for a kindergarten, the construction of a drainage system and an irrigation dam and the creation of a tourist corridor to promote local handicraft activities. In approved projects, New Hope provides the financial, technical and logistic support, and in return the community provides the labour force and keeps the ventures in good order.

Agriculture

The Gal Oya irrigation improvement project in Sri Lanka clearly demonstrates the importance of allowing collective institutions to create their own social capital. The diverse social and cultural backgrounds of farmer settlers in the large Gal Oya settlement and irrigation scheme for years created difficulties for the establishment of farmer groups that could develop the kind of interdependence required to manage a large irrigation scheme. In the socially and culturally heterogeneous settlement, the absence of social capital based on kinship or community bonds made it difficult

[14] For example, recently completed Ph.D. dissertation research in Thailand that draws on both economic and sociological analysis to explore the ways in which social capital (in the form of household-level social networks) influences household strategies with respect to migration, education, credit and land use might be the kind of study required for this "push" to a more operationally concrete integrated approach (J. Geran, personal communication).

for farmers to develop collective norms and practices. As a result, the establishment of farmer groups responsible for water and infrastructure management became a central feature for the rehabilitation and continued maintenance of this major irrigation facility.

In the absence of social capital upon which to draw in establishing these groups, the farmers were encouraged to create their own (collective) stock of capital by taking full responsibility for all decisions about membership, procedures and rules (i.e. creating a collective institution). This was not a one-time decision, however, but was "continuously adjusted in order to find solutions from day-to-day experience and from lessons learned through the process" (Wijayaratna & Uphoff 1997, 180). More specifically, the groups were allowed to engage in a "learning process of institution-building" that was supported by governmental policies that favoured participatory management and that provided legal support and protection for the groups.

The Plan Puebla, a well-known agricultural research and development programme that was launched in the late 1960s to increase maize production, developed an integrated approach to overcoming constraints on farmers' use of productive technologies. Support to farmer groups was an essential component of the widely known success of the plan, as was the combined (structural) contribution from research, extension and teaching at the postgraduate college at Chapingo. The institutional changes among the agricultural service agencies were equally important to the success of the plan.

Prior to Plan Puebla, most of the agencies, and especially the banks, active in the Plan Puebla area operated with procedures designed to accommodate the needs of large farmers or credit societies. As seen in many other parts of the world, these banks saw small farmers as poor credit risks and unprofitable. For their part, farmers were uninterested in seeking bank credit. As the plan acquired more international attention and was successful with small farmers, the Agricultural Bank changed its lending procedures to meet the needs of small farmers, and especially those working in small groups. With these types of institutional changes, " ... the service agencies played a vital role in increasing crop production and farm income in the Puebla area" (Cisneros et al. 1997, 134).

The emergence and current programme of the Senegal National Council for Rural Dialogue and Cooperation (CNCR) illustrates the long road to be travelled to bring about institutional change and the need for continued vigilance against "structural imperatives" taking precedence over a commitment to protecting rural interests and improving livelihood strategies. Large federations of farmer associations and groups may be required to capture the attention of policymakers, but they are subject to the same organizational norms and practices that frequently jeopardize the responsiveness of government agencies to rural people.[13]

During the early 1970s, the autonomous village-based associations that had sprung up alongside the State-promoted cooperatives in Senegal established district and regional associations that eventually federated into the Federation of Senegalese NGOs (FONGS). By the early 1990s, FONGS included over 2 000 village groups and an active membership of about 400 000 villagers. Despite this large rural constituency and the government's policy pronouncements to turn more development responsibility to villagers, FONGS was never invited to participate in the negotiations over the Government's New Agricultural Policy. In response, and with assistance from several donor agencies, FONGS organized an international forum to capture the attention of policy-makers and expose the failure of the Government's agricultural development policy and programmes. This forum set the stage for the establishment of the National Council for Rural Dialogue and Cooperation (CNCR) that federated all of the country's farmer and village associations - FONGS, the National Union of Agricultural Cooperatives, other federations of stock-breeders, fishers, horticulturalists, rural women and forestry workers. Based on this constituency, CNCR was able to make a convincing case that it be invited as full participant in a range of government programmes and policy discussions.

Having captured the attention of policymakers, the CNCR now confronts the need to address the relationship between its headquarters and its base in the villages. Given the size of the federation, many people are increasingly concerned about the slow co-optation of the CNCR leadership as it begins to work more closely with policy-makers than with the local membership. At issue is whether the federation will be able to create the kind of dynamic organizational norms that transfer more power and responsibility to its grassroots.

Cases from two widely different areas - tribal western India and southern Mali - reinforce the importance of a "learning process approach" that draws upon dif-

ferent and changing institutional resources for promoting local planning and management of agricultural and natural resource activities. As Mosse notes, "the experience of institution building is rarely that of applying successful models, but rather of working in particular contexts towards locally viable social arrangements" (Mosse and team 1996, 1).

With financial and technical support from the United Kingdom, in the early 1990s the Kribhco Indo-British Rainfed Farming Project (KRIBP) was established to improve the livelihoods of poor farming families in the Bhil tribal region of western India. Community organizers were given the responsibility and flexibility to support the development of village-level institutions based on their own analysis of the local social situation. Despite some broadly common features of social organization in the area, the organizers quickly discovered that villages were far from homogenous units. Consequently, efforts to create village-wide groups proved unworkable: they excluded some village hamlets and kin groups within villages; they tended to be dominated by established village leaders; women had a limited role; and, "membership did not imply that groups had any significant social existence" (Mosse et al. 1996, 8). In response, the KRIBP fostered the establishment of smaller (collective) groups that shared some combination of familial, communal or social norms and practices. Depending upon their specific interests, these groups undertake various agricultural- and natural-resource-management-related activities. As Mosse notes, the managerial skills of many of the groups remain weak largely because the activities that sustain villagers'interest also demand skills that the groups do not initially possess.

Similarly, the accomplishments of the NCBA/CLUSA programme in southern Mali highlight the importance of responsiveness to intravillage institutional diversity but also the need for an evolutionary programme of management skills development. From the late 1980s into the mid-1990s, CLUSA had the responsibility under a grant from USAID to strengthen and create village-level (collective) associations that could be self-directing, well managed and financially viable. Instead of assuming that each association had to conform to some organizational structure, the village-level CLUSAagents focused on offering training in basic cooperative management as well as instructions for preparing credit requests to village groups. Most of the CLUSA training and assistance focuses on helping villagers obtain and manage agricultural loans. But as different groups have gained experience and confidence in their abilities to work together, many have requested training for longer-term activities such as village consumer goods stores, grain processing mills and pharmacies (Bingen et al. 1994; Bingen, Simpson & Berthé 1993).

VI. PROGRAMME AND POLICY IMPLICATIONS

The UNDP methodology for the design, implementation and evaluation of SL programmes at the country level consists of a four-step process, including: a participatory assessment of the risks, assets, indigenous knowledge base, and coping and adaptive strategies of communities and individuals; the analysis of the macro, micro and sectoral policies that impinge on people's livelihood strategies; the assessment and determination of the potential contributions of science and technology that can improve livelihood systems; and the identification of social and economic investment mechanisms that might help or hinder existing livelihood strategies.

The discussion in this paper suggests that the analysis of institutions, interinstitutional and structural relationships can both strengthen the SL approach as an applied conceptual framework and inform field-level development practitioners seeking to use this methodology. First, as noted at several points in this paper, the distinction between institutions and organizations offers one relatively straightforward way to highlight the interlinkages between livelihood systems and the macro policies that affect those livelihoods. Second, institutional analysis may help to develop a more integrated (holistic) approach to environmental, social, economic and political issues. This might be achieved by "pushing" the assessment of different categories of institutions and interrelationships as discussed in this paper, as well as looking more closely at the interrelationships between various categories of institutions and various types of capital.[14]

The final section of the paper identifies some of the implications of the ideas and issues raised for the design, implementation, monitoring, evaluation and sustainability of projects and programmes. In addition some policy implications, especially for those agencies using the SL approach, are presented.

Programme/project design

At first, the effort to distinguish among the terms *institutions* and *organizations* or *structures* may appear not only cumbersome but somewhat academic. As noted earlier, in everyday conversation, as well as in many academic discussions, the words *institu* -

tions and *organizations* are used interchangeably. The discussion in this paper suggests, however, that maintaining a distinction between norms and rules (institutions) on the one hand, and roles or position (structure/organization) on the other might sharpen both project design assessments and project or programmeme design. As the Rajasthan case illustrates, the norms and rules that underlie how government agents perform are as important as the structural or organizational framework within which they work. Consequently, using this distinction, a project design exercise might decide against structural reorganization (the most common approach) in favour of addressing underlying norms, rules or standard operating procedures.

Design activities might also consider the extent to which institutions are nested within each other and how this influences the creation of structures like producer groups. In Mali, for example, the national cotton company mistakenly assumed that villages were culturally homogenous units and therefore only needed one village association to handle all the needs of agricultural credit, supplies and marketing. It did not take long for various types of (intravillage) conflicts to erupt and threaten the viability of these associations. Even though these conflicts jeopardized the company's programme, it took several years for the company to realize that the problem was not a "village problem", but one that stemmed from an effort to impose a unitary structure over a multidimensional institutional setting.

Finally, the discussion in this paper reinforces the need for more and broader investments in human capital that cut across classes and gender. At the minimum, human capital investments offer the promise of enabling people to liberate themselves from the "ties that exclude". In particular, these investments in human capital may provide women and other marginalized groups in a society the opportunity not only to build and strengthen their other assets, but also to use them as a means for enhancing their livelihood strategies.

Programme/project implementation

As the cases above indicate, flexibility in implementation may be one of the single, most important features of new and SL approaches to development. Without question, the call for flexibility in project implementation is not new. However, if empowerment is truly a key feature of the SL approach, then SL projects need the capability to respond to (newly) empowered people's demands and concerns. Furthermore, if the SL approach accepts that social capital can be transformed in new settings (i.e. as people work together, another type of social capital emerges), then projects need the flexibility to respond to this "emergent capital" and to explore how it might be "reinvested" in other opportunities to enhance people's livelihoods. Narayan & Prichett's (1999) study of household income and social capital in rural Tanzania confirms this observation and strengthens the need for more attention, as noted above, to marginalized groups and communities. Their results emphasize the importance of broadening and localizing decision-making power, but they point out that differing levels of social capital also contribute to the differential capacity of communities to respond effectively to the delegation of power to the grassroots.

Programme/project monitoring and evaluation

If the SL approach distinguishes itself in any way from other development approaches, it does so in part through its attention to both distributive and constitutive issues. This means, as noted above, that SL programmes and projects should give as much attention to who gets what, when and how, as to who is setting what rules, when and how. In doing so, it should be possible to identify the ways in which the SL approach might be able to improve the effective functioning of different structures and processes that influence the access to assets and the livelihood strategies that are open to the poor.

Programme/project sustainability

The discussion in this paper highlights at least two somewhat different ways of examining the issue of sustainability. First, it can be argued that the SL approach will be "successful" or result in "sustainable" efforts only to the extent that it promotes the conditions for the regeneration and the accumulation of various types of capital. The concept of sustainability usually embodies some notion of the protection of future opportunities. In this case, however, it refers to giving people the opportunity to regenerate their capital stocks, or, to borrow an advertising slogan, "to be all that they can be".

Second, sustainability is clearly about dealing with constitutive issues. The Oxfam approach, for example, is based on the notion that "institutions can be a developmental aim only insofar as these institutions in turn create the opportunities for marginalized people to influence the decisions and processes affecting

their lives" (Eade & Williams 1995). As DFID recognizes as well, "if people have better access to assets they will have more ability to influence structures and processes so that these become more responsive to their needs" (Carney et al. 2000).

Policy implications

This subsection offers preliminary observations on a selected number of policy concerns and issues raised by the agencies directly concerned with the SL approach.

Recent studies from the Overseas Development Institute indicate ways in which the concept of sustainable livelihoods helps to identify issues in land tenure, watershed management and integrated wildlife and livestock management programmes that might otherwise be overlooked (Adams, Sibanda & Turner 1999; Boyd et al. 1999; Turton & Farrington 1998). These studies, however, leave room for considerable additional work on the institutional dimensions of sustainable livelihoods.

Agrawal & Yadama's (1997) conclusion from their study of institutions, markets and population pressure on resources reinforces the need for closer and more specific attention to the roles of institutions and interinstitutional and structural relationships in programmes that promote sustainable livelihoods. They conclude: "to say ... that institutions are important in shaping resource management outcomes is not enough. The greater need is to specify the types of practices and sets of rules that are most important in a given context. Without a knowledge of the context, of the history and politics ... it may not be possible even to identify which aspects of institutions will be crucial, let alone assess the relative importance of different aspects" (457).

More specifically, distinguishing among categories of institutions should help agencies, such as CARE, in their effort to place local institutional development within a broader democracy and governance agenda. For example, by differentiating among institutions at the local level, agencies might find more ways to help gain support for democratic local structures and to help higher-level authorities develop appropriate strategies for working with community groups.

More generally, the discussion in this paper should begin to help clarify why decentralization, deconcentration or devolution policies are not development panaceas. As suggested above, "the ties that bind are also the ties that exclude". In other words, those "excluded" as a result of familial institutions are likely to remain so even where governments have devolved authority to local levels. As a corollary to this observation, projects that seek to enhance the livelihoods of those currently "excluded" - such as women in many societies - will need more than special projects. Because people live in multi-institutional settings, no one type of group - such as a women's group - will contribute much to the sustainability of livelihood strategies. Instead, people need allies and advocates who can help negotiate and open strategy options through nested institutional relationships.

Two final institutional issues arise from the discussion in this paper and can be presented for consideration by those committed to improving the SL approach. The first involves the twin issues of accountability and legitimacy. The SL framework is silent on these important development questions. It is known that the absence of legitimacy and accountability underlies the weaknesses (lack of sustainability) of four decades of largely top-down approaches to development. It is also known that by clarifying the institutional basis for accountability (i.e. identifying the norms against which claims are made) important insights can be gained into democratic empowerment.

To make an important difference in development practice, the SL approach must address the issues of legitimacy and accountability. It must deal with the continuing lack of (largely rural) public trust of policy institutions and governmental agencies and programmes. Given the attention to macro-micro links, and with a framework that transcends sectoral boundaries, the SL approach offers some potential for dealing with these issues. For example, to the extent that the SL approach crafts institutional arrangements that are anchored in local organizing practices (familial, community, social or collective institutions), such arrangements may embody self-defined criteria for assuring legitimacy and accountability.

Similarly, the questions of legitimacy and accountability underlie the democratic implications of decentralization programmes. On the surface, decentralization, and devolution of governmental authority in particular, promises opportunities to transform a largely de-politicized "rural population" into a "politically aware" rural constituency as public policy structures and practices come closer to the structures and practices of rural people. The emergence of and continuing discussions on public accountability and legitimacy will allow these opportunities to arise.

Second, it is increasingly apparent that peasant politics is becoming a politics of global human rights.

Agrarian issues can no longer be discussed only in terms of national space. The emergence of international human rights has reconfigured "peasant politics" within a global community. In this context, international groups, many of which have been important development partners for many years, become increasingly central actors and sources of "transformation".

Goran Hyden captures the fundamental challenge in arguing that support for initiatives in the interest of sustainable livelihoods may mean challenging those in power. "There must be a firm and fundamental sense of agreement regarding which rules apply to relations between state and citizens and the interaction among the latter. [With such an agreement], the greater the chances are that the social capital and social space that organizations of the poor and disadvantaged may have obtained for themselves can be adequately confirmed ... Without the institutionalisation of such an understanding, the poor and disadvantaged will continue to face problems in realizing greater control over their livelihoods" (Hyden 1998).

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Annex 5

Summary of main issues discussed in the Web/E-Conference

SLA THEMES

The Sustainable Livelihoods Web/E-Conference on "Operationalizing Participatory Ways of Applying Sustainable Livelihoods Approaches" was held throughout the month of February 2000, with the participation of 338 professionals of different backgrounds and from a vast variety of agencies and countries. It was organized around themes, with a number of discussion threads for each theme and topic. These included a section on basic questions aimed at stimulating thinking on some of the characteristics and underlying principles of SL approaches.

The theme "SL approaches compared" featured a contribution by Diana Carney et al. (reviewing the SL approaches of CARE, DFID, Oxfam and UNDP); the theme "Operationalizing SLAs" featured a contribution by Tim Frankenberger et al. (illustrating CARE's experience in implementing SL approaches in the field); the theme "SLA at the policy level" featured a contribution by Anne Thomson (raising some salient points regarding rural development policies); and, finally, the theme "institutions and sustainable livelihoods" featured a contribution by Jim Bingen (pointing out some of the main institutional issues that arise when SL approaches are adapted).

General observations

In general, the electronic conference has encouraged a wide range of contributions, in addition to the resource papers, ranging from more philosophical and political observations on paradigm shifts and the political economy of international relations to the sharing of policy papers and a number of concrete "operationalization" tools. These place community-based development and natural resource management more in the foreground as "the ruling economic and social organization", making communities the central actors in development.

Some cross-cutting topics were picked up under the "basic questions" thread, and elsewhere, especially the crucial question regarding sustainable livelihood approaches (SLAs) monitoring and evaluation and the development of indicators suitable for capturing livelihood outcomes and the differentiated impact of SLAs. At this stage, no concrete examples exist of sets of SL indicators developed within a programmatic framework, but this complex work is under way, being pursued by a number of professionals. This aspect is closely related to the current practice regarding the agencies' project and programming cycles, and there were renewed calls for a thorough review of these processes to ensure that they responded to accommodating higher levels of participation along the way, through greater flexibility and less-determined specifications. It was generally agreed that SL might provide a better chance of extending development to the poorest as an understanding of livelihoods issues may render more visible several small-scale activities that are important to the poor.

Comparing the SL approaches

There was general agreement that there were no substantial differences among the SL approaches as they were currently employed by the different agencies. There was some debate as to the difference between SLA-type projects and "traditional" ones, traditional projects being perhaps cheaper, and the more costly and time-consuming SLAs being seen as primarily benefiting the analytical capacities of development personnel. Many argued, however, that SL approaches also benefited the analytical capacities of their "beneficiaries", especially the poorer stakeholders, equipping them with the means to analyse, plan, act and evaluate for themselves. Nevertheless, empirical evidence has not been supplied that would indicate how new SLAs' analytical skills have helped solve certain concrete problems or improved standards of living.

The latter are opportunities facilitated by SLAs' providing a coherent, flexible framework for programming, and attempting to establish micro-macro linkages. "SLAs provide a road map into some pretty complex issues, adaptable for use in practical ways, providing guidance on how to use PLA, or other approaches, and on what information is needed, and

why, and how to go about getting and analysing it". SLAs may thus be seen as comprehensive tools that will allow all the necessary parts to be added in an appropriate "natural" time sequence, or possibly simultaneously. Social, environmental, institutional and political analysis, etc. will be taken care of as the SLAframework sheds light on the relative importance of these factors, in a quest for "optimal ignorance": the minimum amount of data collected (as it is not necessary to know everything). Given their intersectoral nature and broad objectives, SLA-type projects may be more prone than "traditional projects" to create expectations that are not easy to meet.

Related to this is the fact that the project formats used by many agencies require predetermined and quantified project inputs, outputs and budgets. This conflicts with the principle that, when using participatory SL approaches, "the role of the project needs to be shifted to creating and supporting an enabling framework for an iterative process of community-based appraisal, planning and action". The role of a project may need to change if it is to remain truly demand driven, regardless of its original entry and leverage points, which raises a number of issues pertaining to the mandate of the implementing agencies.

It was found that at the community level, (sometimes "fanciful") log frames may become less important, and that a "community has no problems understanding the [SLA] concept". However, SLA's focus on community strengths (as opposed to previous approaches' focus on basic needs) poses a different set of potential problems in the operationalization of SLA-type programmes, namely that these "community strengths" may not necessarily include the most marginalized segments of local society. Finally, the jury is still out regarding SLAs' ability to include the poorest, aside from the fact that a more holistic analysis is likely to shed more light on their coping mechanisms.

Operationalization

Most of the "operationalization" discussion has focused on dealing with the need for multisectoral, decentralized planning, and how difficult this is to institute. There was also a brief discussion on poverty, and it was generally agreed that the poorest in society are the most difficult to reach. Therefore, the implementing agencies and partner organizations should concentrate their efforts on assisting those communitites that provide their own traditional, informal support for the poorest (after first assessing the local power structure and conditions of participation and social exclusion, since these traditional mechanisms can also be important determinants of marginalization).

Healthy scepticism was voiced about the success of SLAs in adequately addressing actual field-level problems or issues, but also some theoretical arguments were put forward in support of the "holistic" nature of the SL approach to development. Unfortunately, no examples of a successful holistic SL project/programme were cited. Participatory approaches may "awaken a sleeping giant of possibilities and opportunities" through people's involvement in their own development, and the question was posed as to whether the SL approach could effect such a profound transformation of existing institutions, or if it could be successfully implemented only through externally supported programmes that reached limited target areas. This has profound implications for the local and supra-local power structure, and may well become a political threat to present powerholders. SLA implementers must be aware of these dangers.

Policy issues

The need had been expressed to consider the SL debate within the context of the international development targets (IDTs), with a deadline of 2015, and to draw linkages with the comprehensive development framework (World Bank) and poverty reduction strategy processes. At the same time, it was agreed that more tools were required to improve sequencing and assessment of trade-offs. Such tools could include economic, environmental and social appraisals to implement, for example, DFID's three-pronged approach of enabling, inclusive and focused actions. The finding that " … the best possibility for achieving a sustainable improvement in livelihoods policy is to focus on increasing civil society and stakeholder participation in the policy process", was warmly welcomed, shifting the centre of the macro-micro linkages policy debate from the "content" of policy to the "processes" by which policy was determined – an area, however, "where change will take time and where sudden reversals are common".

"One of the main contributions which the SL approach can make in the area of policy issues is to provide an analytical framework and common language for understanding poverty, and thus [the approach is] a potentially effective means of focusing the policy process on the poor". In sum, by "supporting and enhancing capabilities, rather than simply

meeting needs", policy implementation with an SLA perspective can "change the effective content of policy". However, this will require the development of "effective channels of communication between poor households, particularly in rural areas, and central policy networks", for which appropriate institutions at the local, intermediate and national levels are essential. One entry point could be to start with local-local horizontal relationships, asking "not how the state can be supportive of local livelihoods, but how the state can facilitate the development and multiplication of horizontal relationships which are themselves supportive of the SLA".

Institutions

This led to claims that from the point of view of institutions, with SLAs' micro-macro intersectoral focus, there is, at least in theory, comparatively more potential for the creation of wealth at the local level. The key to long-term institutional sustainability may well lie with making institutions and institutional interfaces more SLA friendly, and by building on their local-level legitimacy where this exists. It will be necessary to level the playing field further by building negotiating capacities among local institutions, leading to more political and economic clout, and to tap social capital, something that other, less people-centred approaches to development have largely failed to do. At the local level, a great number of customary and other local institutions are intersectoral, legitimate, and, given their informal nature, capable of responding to change in flexible and adaptive ways. "Typically the 'problem' is that local institutions are ignored and/or misunderstood by external institutions/initiatives … "

"Working through local institutions does not automatically lead to more equitable livelihood outcomes … " It is important to continue to refine helpful stylized categorizations, such as the five-class taxonomy of institutions and the distinction between institutions and organizations proposed in the contribution by Jim Bingen, to make such analytical tools more tractable and useful for SL analysis, to identify which do or do not favour access to assets by the poor. Suggestions for refinement have included to "distinguish among them in terms of level, function, effect, and motivation". The categorization also points to the "incentive systems that condition or encourage different forms of SL behaviour, and to the fact that rural people don't necessarily follow just one set of norms and values, but follow several and may hop or skip from one to another depending on the particular problem at-hand". Perhaps missing in this context is the role of social capital as linked to individual initiative, and the role of charismatic, articulated and innovative leadership in negotiating a larger space for local constituencies in national arenas.

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Other documents contributed

- Periperi/DFID a.o., training guides on livelihoods and vulnerability analysis (LAVA).
- Constantinos Berhe, "Paradigmatic limits and sustainable livelihoods policy analysis, formulation and management".
- Marcus Robbins, mind-mapping version of livelihood diagram.

Annex 6

Technical lessons from the Web/E-Conference

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Annex 7

A brief overview of sustainable livelihoods approaches

Presented by Timothy R. Frankenberger, CARE

Resource Perspectives No. 34. London, ODI.

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In addition to the content of the discussion (summarized in Chapter 2) the Web/E-Conference offered lessons to those planning web/e-conferences. The participants of this conference were generous with both their praise and criticism. Their main points, and relevant reflections from the Web/E-Conference managers, are given below.

BACKGROUND PAPERS OF THE CONFERENCE

Participants appreciated the good and comprehensive background documentation provided. However, some participants felt that the four theme papers presented were too long to be read and discussed during the limited time period, and thus they did not feel comfortable actively contributing their comments. Some participants felt that the themes and direction of the discussions were too much predetermined by the subject matter and content of the four papers. For future and comparably structured web/e-conferences, they recommended limiting the length of background papers to six to seven pages, with brief, debate-oriented summaries. All background documents should then be made available at least two weeks before the start of the conference, in all three formats: Word, PDF and HTML.

HOW TO INITIATE THE DISCUSSION AND ENCOURAGE PARTICIPATION

A limited number of start-off questions for the conference should be available from the beginning of the conference. These questions should be short, catchy and even a bit provocative in order to stimulate debate. Participants definitely liked the opportunity to start new threads (discussion groups), as everybody's interest was not necessarily reflected in the threads offered by the moderators.

Participants considered responsive moderation and reliable technical support as extremely important. They suggested briefly "introducing" the moderation team to inspire trust and help participants relax into the process. The conference moderators themselves also concluded that one full-time person for the technical support and another full-time person for moderating or coordinating the moderation team were absolute minimum requirements for running a reasonably responsive conference. Ideally such a two-person core team would be supported by co-moderators.

CHOOSING THE RIGHT TECHNOLOGY

The degree of (reliable) access to and knowledge about computer systems and web-based technology varied considerably among participants. After some start-up difficulties, it was found that a combination of the web-based conference facility running in parallel with a simultaneous e-mail-based conference service (eventually offering a daily e-mail update to all participants) proved adequate. With this system, all participants:

- are frequently reminded about the conference;
- are encouraged each day to contribute, since they automatically receive the latest comments;
- can participate fully, even if they have only e-mail access (but not reliable access to the World Wide Web);
- can choose their preferred system.

When they do have web access, participants can make use of the associated advantages: direct accessibility of all background documents and a well-structured overview of all previous and current postings in past and presently active discussion threads. Many participants who found it technically difficult to submit comments on the web-based facility had no difficulties with e-mail.

Adjustments needed to improve the web-based conference software used

The web-based conference facility used during the conference was a pilot system developed by FAO (WAICENT). Although prior to the conference a number of modifications were made in order to improve the system's functionality, many conference participants still found it extremely user-unfriendly. As a consequence, few participants submitted their comments directly through the website, most preferring to use the e-mail mode. Comments made by e-mail were then posted on the website under the users'names.

The FAO web software used for the Web/E-Conference proved to have a number of characteristics that limited its usefulness. Chief among these were:

- Because of FAO server security policy, outside users could log on for only 15 minutes, after which they were automatically logged off.
- The system would not accept postings longer than 1 600 characters through Internet Explorer.
- FAO's language policy requires that all FAO websites be in all five official FAO languages. Only by setting up a closed site, with entry restricted to those having individually assigned user passwords, was it possible to get an exemption from this requirement.
- Password use required the activation of "cookie acceptance" on the users'own computers, an unfa-

miliar process for many users.

- The three levels of question/thread/posting were found to be visually difficult to follow, especially since the thread had to be "opened" in order for the user to see the associated postings.

It is essential to thoroughly user-test all functions of a web-based system well in advance of a conference. It is certain that adjustments will be needed before the conference goes online. This testing should be done on different computer systems, with different browsers, different e-mail systems, and in and outside of one's own organization.

Annex 8

Summaries of the major case studies discussed at the Forum

INTRODUCTION

It is very difficult in the time allotted to give an overview on all of the work that has taken place on sustainable livelihood approaches over the past several years. I will try to highlight some of the key issues and trends that I see are taking place as the approach gets operationalized in different settings by different institutions.

THE EVOLUTION OF SUSTAINABLE LIVELIHOOD APPROACHES

In the 1970s, many development practitioners were concerned about the famines that were taking place in Africa and Asia, and a concerted effort was made to put more resources into increasing food supplies globally. Out of this concern, the CGIAR centres were born, and significant increases in food supplies were created through crop research.

However, as we transitioned into the 1980s, many development practitioners realized that even with significant national-level surpluses, many households were still not obtaining adequate amounts of food for a healthy life. It was determined that many households did not have enough income or resources to exchange for food to meet their food needs. This led to a shift from national food security to a concern with the food security and nutritional status of households and individuals. Farming systems research, focusing on the production activities of poor households, also provided a new perspective on the way to view the production and consumption decisions of households.

In the mid-1980s to the early 1990s, researchers began to widen their perspective from food security to a livelihood perspective. Some of the first writings on sustainable livelihoods were beginning to appear in the farming systems literature in the late 1980s.

During the 1990s until the present, there has been a shift from a material perspective focused on food production to a social perspective that focuses on the enhancement of peoples' capacities to secure their own livelihoods. Much of this thinking is derived from the participatory approaches that have become well integrated into the various implementing agencies' activities for project diagnosis and design.

Thus, we can see that the sustainable livelihood approaches in vogue today build on the experiences of the past. They are not based on dramatically new methods but utilize the methods that have been developed over the past 20 years. This is why SLA seems so familiar to those who have been involved in systems-oriented approaches such as farming systems research and household food security.

COMMON DEFINITIONS

There are a number of definitions currently in use that a number of agencies share in common. These are:

Livelihood. A livelihood comprises the capabilities, assets and activities required for a means of living (Chambers & Conway 1988).

Sustainable livelihood. A livelihood is sustainable when it can cope with and recover from the stresses and shocks and maintain or enhance its capabilities and assets both now and in the future without undermining the natural resource base (Chambers & Conway).

Household livelihood security. Household livelihood security is defined as adequate and sustainable access to income and resources to meet basic needs (Frankenberger 1996).

DIFFERENT LABELS FOR THE APPROACH SHOULD NOT PREVENT PARTNERS FROM WORKING TOGETHER

It is important not to get hung up on the label, that is, whether you call it SLA, HLS or something else. When people are not familiar with the terms, labels can create divisions, even when different agencies may be pursuing similar approaches. It is more important to understand what are the underlying principles that govern these types of holistic approaches.

PRINCIPLES OF SUSTAINABLE LIVELIHOOD

APPROACHES

Holistic diagnosis and analysis

A sustainable livelihood approach attempts to take a holistic perspective in determining problems and opportunities for programme activities. This holistic perspective involves taking into account:

Context. What are the social, economic, political, historical, demographic trends that influence the livelihood options of a given population and what are the risks to which they are exposed?

Resources. What are the various assets (financial, physical, social, human and natural) that households and communities have access to and how are they differentiated and disaggregated? Vulnerability is determined by the risks that households and communities are exposed to and their ability to use assets to cope with these risks.

Institutions and organizations. The institutions that operate within a given context will be critical to sustainable livelihood outcomes. It is important to identify which government, civic and private-sector institutions operate in a given livelihood setting to determine their relative strengths and weaknesses in delivering goods and services essential to secure livelihoods. The private sector is usually left out of such analyses. A stakeholder analysis is a critical first step in any diagnosis.

Livelihood strategies. A holistic diagnosis attempts to identify the various strategies people use to make a living and how they cope with stress. These are also referred to as adaptive and coping strategies in the food security literature. To tailor interventions appropriately, it is important to determine the variability that may exist across ethnic groups, households and individuals in the pursuit of different strategies

Livelihood outcomes. Outcomes are measured to determine how successful households are in their livelihood strategies. These outcomes can be based on normative standards (e.g. nutritional status) or on criteria identified by the communities. Such outcome measures need to be differentiated and disaggregated across groups, households and individuals.

Application of participatory, people-centred approaches

SLA uses a wide variety of participatory tools for diagnosis, programme design and monitoring and evaluation. Participation and empowerment are the basic tenets of the approach.

Focused strategy

Although the SLA emphasizes holistic diagnosis, this does not mean that interventions must be multisectoral. Single-sector projects/programmes may be the most appropriate avenue to pursue based on a good problem and opportunity analysis. There are multiple entry points through which to begin programme activities. The analysis should determine which entry point to pursue.

Coherent information systems

The indicators used for monitoring and evaluation are clearly linked to the problem analysis and the objectives. Cross-sectoral impacts that are measured are derived from the links that are demonstrated from the holistic analysis. The project should not collect unnecessary data that is not clearly linked to the objective or the problem analysis.

Reflective practice

Programme information systems should be set up to capture both the intended and unintended consequences of programme activities. These lessons can be derived from participatory monitoring systems and other aspects of the M&E system. Documenting the lessons will be critical to programme improvements. One of the key problems that implementing agencies have is allocating time and resources to document the lessons learned.

MAJOR ISSUES REGARDING THE APPLICATION OF SLA

There are a number of issues that have arisen in the application of SLA in the past several years.

Programme design

As stated earlier, SLA projects/programmes can be either single-sector focused or multisector in scope. What is needed is a range of options that can be applied depending on where the project is in the programme cycle. Ongoing projects can incorporate a livelihood perspective during critical moments of their project cycle, such as during mid-term reviews or evaluations to determine if other factors beyond the sector constraints that the project is focusing on could influence the achievement of project objectives.

Entry point

Although we may be concerned with the livelihood outcomes at the micro level, this does not mean that interventions have to be only at the micro level. Macro-level policy changes can have a significant impact at the local level. The problem analysis should determine at which level it makes sense to operate programme activities. Similarly, the programme strategy may work with different people in the community than the group we wish to help. If the strategy is correct, then the livelihoods of the target group we wish to support should be improved. For example, working with merchants may assist poor farmers in obtaining inputs more easily. It is important to monitor the distribution of benefits to make programme adjustments when needed.

Measuring impact

To measure the impact of a livelihood programme, it is important to measure criteria relevant to communities as well as normative criteria. Criteria derived from participatory approaches are the changes that are meaningful to communities. If these changes do not occur, then the project has not brought about the kinds of improvements that are significant to the community. These measures may be location specific. Normative measures are important for targeting and allowing for cross-regional comparisons. Such measures are critical for donors and governments that need to make resource allocation decisions across regions or countries. Thus, both types of information need to be included in SLA M&E systems.

Changing structures and processes for sustainable outcomes

To sustain positive livelihood outcomes, effective local institutions that deliver goods and services must be in place. These include government agencies, civil organizations and the private sector. An important part of most livelihood programming activities has been community capacity-building and institutional strengthening. Capacity-building efforts must focus on service delivery as well as risk-management. Institutions that are not able to mange risk effectively can quickly become overwhelmed, seriously jeopardizing their ability to continue to provide services. It is this risk-management aspect that is often overlooked in institutional strengthening efforts. Finally, much more work needs to be done on capacity-building indicators. Currently, we have few examples of indicators for measuring institutional improvements.

Working with multiple partners at various levels

SLA activities may be initiated at different levels (i.e. national, regional, local) depending on where the greatest leverage can be achieved. For this reason, SLA programmes must be able to mange partnerships at various levels. This is a different way of operating than working with local partners only, and it may require a different set of skills.

Balancing natural resource management objectives with poverty-alleviation objectives

It is important to take into consideration that natural resource management interventions that have public benefits do not always have direct benefits for the poor. Care must be taken to determine whether the poor are participating in project activities. If the poor are not involved, then consideration must be given to opportunities for including additional components that address the livelihood needs of the poor. These needs may be addressed by partner organizations and not directly by the project.

BANGLADESH (INTERFISH)

INTERFISH is a series of three projects that spanned the 1990s and reflect the changes in development thinking that have taken place over that decade. What started as a project building on successful experiences with Integrated Pest Management (IPM)-related technologies – notably rice-fish cultivation – to enhance and diversify rural incomes, has become a vehicle for the empowerment and strengthening of village-level institutions.

To this day, the project is still refining its field approach in order to:

- increase its benefit to the landless poor and to women (as distinct from the vulnerable but landed), who had most benefited from the earlier project interventions;
- increase the role and influence of the IPM field schools, which the project institutes in beneficiary communities, in order to allow the project to address broader and more specific local development issues;
- increase its support to existing village-level institutions to achieve a wider development impact.

In doing so, the project continues to use its established and credible package of institutional and technological interventions, under the name of IPM field schools, as its entry point.

The study provides an interesting documentation of how the project has evolved. It has moved from being structured to deliver efficiently its outputs in achieving implicit but often indirect benefits to communities, to fostering community participation and ownership, in order to steer each project intervention towards the needs of the individual communities. The project management does not claim to have perfected these mechanisms yet, but the shift in focus is one that mirrors the shift in focus of DFID-funded projects towards the livelihoods of the very poor. The challenges that management has experienced in implementing it also mirror many of the challenges facing sustainable livelihood approaches in general.

Four critical moments

The monitoring system. This looks at the decision made to move away from a monitoring system that measured the delivery of project outputs without tracking their benefits or their impact on beneficiaries livelihoods, to one based on participatory monitoring and evaluation. The participatory model is still being developed, but it has placed far more decision-making power in the hands of the community, as well as captured more indirect benefits.

A more holistic focus. When new management took over in 1997, they saw their prime role as enabling the project to respond to the needs of farmers. Of all the changes this brought to the project, perhaps most significant was the recognition that the success of the project should be defined not by the adoption of technology but by the households' confidence and ability to address broader issues (accessing resources, reducing credit, etc.)

The poverty focus. The 1998 Output to Purpose Review of the INTERFISH project looked at the appropriateness of the project interventions to the very poor. It questioned whether a different emphasis on the project's technical components was needed to improve its adoption by the marginal and landless, or whether the project should be explicitly targeted at the vulnerable as opposed to the very poor. The implementing agents' response to this was to improve the project's penetration to the very poor but by way of its traditional entry point.

The linkages to higher-level institutions. The project is implemented by CARE, and conforms more closely to CARE's SL framework than to others that place a greater emphasis on the influence of higher-level institutions. If we take the benefits of INTERFISH as a given, the project is a useful vehicle for asking whether project resources could be better used if they aggressively addressed the institutional dimensions of Bangladesh's poverty in concert with its other interventions.

BOLIVIA: PARTICIPATORY AND INTEGRATED WATERSHED MANAGEMENT AND SUSTAINABLE LIVELIHOODS IN THE UPPER PIRAÍ

FAO Italy's Interregional Project for Participatory Upland Conservation and Development (GCP/INT/542/ITA) – otherwise known as the PUCD project – originated from the interest, shared by FAO, UNEP (the United Nations Environment Programme) and other international and bilateral agencies in testing new approaches and methods for sustainable mountain development (SMD) and participatory and integrated watershed management (PIWM).

This interregional project has aimed at (1) establishing a cluster of five pilot field experiences in SMD and PIWM in selected upland areas of different

regions of the world; (2) incorporating lessons learned from these field experiences into local planning systems and national policies; and (3) disseminating at the global level information on the methods, techniques and tools validated through field experience. The project included five field components in Bolivia, Burundi, Nepal, Pakistan and Tunisia, and a small coordination unit based at FAO headquarters in Rome. It developed along three phases: 1992-1993, 1994-1997 and 1998-2000. The third and final phase will be completed in July 2000.

This case study deals with the PUCD project's field component in Bolivia and, in particular, the experience gained between 1993 and 1999 in developing a PIWM process in the upper watershed of the Piraí River (Department of Santa Cruz, Municipality of Samaipata). The case study is meant to illustrate how a participatory and integrated approach to natural resource management has progressively led the project to incorporate sustainable livelihoods issues in its implementation strategy (even though "formal" SLA concepts became part of project methodological background only at a very late stage).

The case study is organized into seven modules. In module 1, background information is provided on the national, regional and local setting in which the project has been implemented. The socio-economic and environmental situation of Bolivia is outlined, highlighting the pivotal role that colonization of the "virgin" areas of the Santa Cruz Department has played in national rural development processes. Ongoing changes during the 1990s in Bolivian development policies and governance structure are also presented to introduce the institutional context in which the project developed. Finally, the situation existing at the beginning of the 1990s in the project area is sketched out, with particular reference to the environmental and social dynamics related to the areas' colonization by settlers coming from other regions of the country.

Module 2 deals with project design. The rationale of PUCD Bolivia is presented according to findings of FAO/Italy's identification mission and the specific interest of the national counterpart (the Piraí River watershed authority) for testing the PIWM approach. Project documents' objectives, outputs and activities are also presented, highlighting the evolution that has been taking place along the project's three phases. Main features of project design are then described, including its participatory, action-learning and process-oriented approach and its threefold strategy based on the integration of conservation and development thrusts, the strengthening of collaborative links among local communities and institutions and the incorporation of watershed management issues into local governance. Eventually, information is provided on the project's implementation arrangements and budget.

According to the project's open-ended design, the diagnostic of the environmental, economic and social situation of the Upper Piraí watershed took the shape of a continuing learning process that paralleled the project's implementation. Diagnostic studies included RRA and PRA exercises, participatory research on farming systems and social stratification, case studies focusing on specific communities and participatory evaluation exercises. In module 3, the main findings of this action research process are reviewed according to a formal SLA framework. The review starts by identifying the assets on which local livelihoods are based and the factors that affect their sustainability (i.e. the vulnerability context). Then, the local social structure is outlined. On this basis, access to the above assets and resilience capacity of different social strata are analysed. This allows for the identification and brief description of the livelihoods strategies practised by different groups of Upper Piraí settlers. This analysis is complemented by a review of the processes of change ongoing in the area and of their influence on people's livelihoods.

In module 4, the project's implementation process is reviewed from a historical prospective, with the aim of showing how action learning and interaction with local partners have supported the progressive fine-tuning of project approach and strategy. To this end, based on in-depth qualitative interviews with project management and staff, a number of critical moments in the history of PUCD Bolivia are identified and briefly discussed. The contribution of the related problem-solving process to the adaptation of PIWM to the local conditions is also analysed.

Module 5 focuses on the project's outcomes. Although no full-fledged evaluation of project impact has been carried out so far, findings of the project's internal evaluation system and of a recent tripartite evaluation mission are used to outline how and with what particular effects the project has interacted with the major changes taking place in the Upper Piraí (as identified at the end of module 3). To this end, the project's role in supporting micro-capitalization, controlling environmental degradation, fighting rural poverty and social inequalities (including gender

inequalities), and promoting people's awareness of and participation in local governance is reviewed.

Actions aimed at incorporating participatory and integrated watershed management in the local governance system and national policies have paralleled fieldwork throughout project implementation. This aspect of project experience is briefly reported in module 6. The main topics dealt with in this part of the case study include: implementation of replication tests (with limited project support); development of human resources for PIWM; incorporation of PIWM in local governance; and provision of assistance in policy-making at the national and departmental levels.

Finally, a number of major lessons learned from the experience of PUCD Bolivia are presented in module 7.

Each of the above modules is complemented by a number of selected readings, excerpted from project documentation.

ETHIOPIA: SOIL AND WATER CONSERVATION IN THE ETHIOPIAN HIGHLANDS

The story of the WFP-assisted project Ethiopia 2488, "Rehabilitation of forest, grazing and agricultural lands" is about learning by doing. It traces the evolution of soil and water conservation over the past twenty years, amid political upheavals, crises – natural disasters and conflict – governmental and institutional changes and, most important, the pressing needs of poor communities, depending on increasingly degraded lands for survival.

The project began under the firm control of the Ethiopian Government. Work quotas, devised centrally, were handed down to the regions for area treatments of up to 1 500 ha. Buoyed by the 1984 Ethiopian Highlands Reclamation Study, supported by the World Bank, UNDP and FAO, Ethiopia 2488 became an important component of the Ministry of Agriculture's conservation-led development strategy that stressed technical capacity-building and broad-based participation.

Yet, with the famine disaster of 1984-1986 and ensuing civil conflict, the urgent need to make food available to communities overshadowed the technical design of works and the amount of participation in planning. By 1990, in many areas, farmers' attitudes towards the project and the assets created were moving from suspicion to hostility, especially where poor-quality or inappropriate measures were implemented without consultation.

After the fall of the Mengistu regime in 1991, communities fought to gain control over decisions that affected their livelihoods. Earlier attempts to increase participation in the project were revitalized, resulting in the formulation and piloting of the local-level participatory planning approach (LLPPA). Through LLPPA, grassroots communities in target areas could be involved at every stage of planning and implementation of the various project activities.

Now, the project is firmly under the control of the implementing communities. In addition, the Ministry of Agriculture (MOA) and WFP have worked consistently over the last five years to build technical capacity both in field staff and in farming communities. Through the project, communities and MOA staff work together to test new approaches to sustainable land use. Learning is shared between communities and awareness is raised beyond the project's boundaries. Communities and civil administrations that do not participate in Ethiopia project 2488 can see the effects of soil and water conservation at neighbouring project sites and the benefits of a participatory planning approach.

Two critical issues have remained dominant in the project's life. The first has been the problem of combining the technical demands of soil and water conservation with the equally pressing needs of farming communities whose asset base has been depleted by successive periods of drought and conflict. The second issue relates to the practicality of implementing a participatory approach encompassing more than 200 000 households living in scattered mountain communities with limited institutional capacity. The project's response to these issues is a key aspect of its learning process and will determine its contribution to supporting sustainable livelihoods for the poor farming communities in the Ethiopian highlands.

HONDURAS: FAO PROJECT LEMPIRA SUR

Honduras is one of the poorest countries of Latin America. A majority of its population still living in the rural areas where poverty predominates because of the low incomes that reflect a subsistence economy of slash-and-burn agriculture and extensive cattle ranching, which is generating an ever-increasing deterioration of the environment. In 1998, Hurricane Mitch only underlined the fragility of this social system and the urgent need for a change from current development strategies to ones that aimed to incorporate the rural poor into a process that would not only benefit them but also ensure sustainable management of the

country's natural resources.

South Lempira covers more than 2 000 km^2 and has a population of more than 100 000 inhabitants. This mountainous region is one of the remotest and poorest areas of Honduras, with 90 percent of the population dependent on small-scale ranching and subsistence farming. A drought in 1987/1988 underlined the vulnerability of this hillside economy, with the crops failing and water sources drying out. The region was seen as being so remote, poor and insecure – i.e. a zone of guerilla influence due to its closeness to El Salvador – that only FAO indicated a willingness to work there. Thus began the project Lempira Sur.

In the project's pilot phase, FAO experimented with a series of hillside technologies, and by 1995, the start of the first phase of the project, the Organization initiated a programme of extension to 74 communities. A demand-driven approach was adopted at that time. This involved the extensive training of a team of extensionists, who were organized to attend some of the remotest communities. Over time, this demand-driven approach has become institutionalized in the project, taking up to 20 percent of the project's time, and the project's cycle follows the area's agricultural cycle.

An analysis of key players in the region (no stakeholder analysis existed) and their interests has also generated a series of initiatives that respond to their needs, but with a sustainable development focus. Thus the project has evolved components and complementary projects that centre on education, the municipalities, the provision of a technology package for ranchers, and others.

The logical framework and operational priorities of the project have evolved through this ongoing process of interchange with the benefiting communities and municipalities. External review and technical missions have served to refine this process but not change it; thus the formal documentation and strategies of the project have always followed change and not led it.

The major impact of the first phase of the project was the large-scale adoption of new hillside technologies and a resulting change in the situation of basic grains. Where before the area was a net importer of grains, now it has become a net exporter (beans, maize and sorghum), even during drought (El Niño) and floods (Hurricane Mitch). These new technologies were geared to sustainable land use, and research shows that they are improving soil quality, retaining water and leading to reforestation. This large-scale adoption of technologies reflects a policy of close coordination and training for other projects and NGOs in the area as well as the effect of seeing farmers with these adopted technologies harvesting during drought while those who had not adopted the new technologies lost their crops.

This change in productivity plus the building of local organizational capacity only increases the demands on the project, and adds new ones. Above all, the demand for education has grown; community banks have become widespread; savings and loan cooperatives have been created; the regions' mayors now have their own organization; and diversification, marketing and the creation of small businesses are now priorities in those communities that have adopted the new production systems and are faced with surplus grains. This has also led to a strategy of grain storage in the homestead and low grain prices, in part because of excessive imports the year after the hurricane.

The project is obliged to review its own priorities annually and adjust even the way it is managed and operates to take into account the growing articulation of more and more sophisticated demands from the communities. This, coupled with extensive interest in these processes generating multiple visits and demands on project personnel to participate in workshops and presentations creates increasing pressure on the project and raises the issue of how to ensure continuity after the project's end. How does the project create the institutional structures capable of following up on the increasingly diversified demands and needs of a population that has so avidly responded to the opportunities of change and development (e.g. the Central American hillside farmers who have shown their willingness to adopt new technologies and manage their resources wisely)? The major obstacles to sustainable development lie elsewhere, with national policy-makers, donors and projects. The issue is: what can we do to ensure the sustainability of the livelihood systems that we are interfering with?

MALAWI

The development of the Malawi Sustainable Livelihoods Programme is strongly linked to its first country cooperation framework (CCF). Based on the lessons from the fifth country programme, the Government's overarching goal of poverty alleviation and UNDP's mandate to promote sustainable human development through capacity-building, the first CCF was formulated to address concerns in two thematic areas: sustainable livelihoods and governance, and

development management.

The objective in the sustainable livelihoods thematic area is to ensure that the very insecure poor, especially women, in rural and urban areas are identified and assisted to establish adequate capacities, structures, means and incomes to satisfy their basic livelihood requirements while ensuring the sustainable management of resources in an environmentally sound manner. The governance and development management thematic area aims to empower Malawian society to organize itself more effectively to ensure sustainable livelihoods. Thus, from the outset, conceptually the area of governance was seen as a major component of the sustainable livelihoods approach.

The Sustainable Livelihoods Programme has been articulated as the major strategy for grappling with the poverty challenge. Three programmes were conceived as the pillars of sustainable livelihoods in Malawi: Sustainable Livelihoods and Food Security; Enterprise Development and Employment Generation; and Environmental/Natural Resources Management Programmes. Because of concerns of obscuring the building blocks of SLA within the food security programme, a separate programme was developed covering cross-cutting elements: coordination; poverty policy analysis and programming; participation for sustainable livelihoods; multitrack communications; and science and technology for sustainable livelihoods.

Development and testing of the participatory analysis and planning for sustainable livelihoods (PAPSL) manual became the main activity for implementing the SLA at the community level. PAPSL draws upon the tools of PRA for assessment and infuses the approach of adult learning and empowerment, such as training for transformation, to facilitate dialogue and problem-solving. Its assessment and planning exercises focus on local knowledge systems, adaptive strategies and assets in order to build on the positive aspects.

Interesting results are being observed in Mchinji District following implementation of some of the interventions outlined in the community action plans. On the one hand, these reflect people's priorities and their commitment to and involvement in improving their livelihoods. On the other hand, they represent demand-driven delivery of support services by the extension machinery.

On issues of institutionalization, great strides are being made at the district and community levels. This has been achieved by the infusing of SLA and concepts in the participatory analysis and planning methodologies by the main government arm responsible for district and rural development and by the three largest city assemblies in the country. At the policy and sectoral level, there is no convincing evidence of institutionalization's taking place.

In terms of lessons on the application of the SLAso far, it has been learned that although SLAis appealing to many, it is important that its principles and concepts are adequately grasped before agencies embark on a planning and implementation process. The work in Malawi points to the need to distinguish between an SLprogramme and an SL approach. Contemporary thinking is that it is more meaningful to focus on promoting and implementing an SLA.

MALI: SEGOU VILLAGE DEVELOPMENT FUND PROGRAMME – PHASES I AND II

The Segou Village Development Fund Programme (VDFP) was IFAD's longest-standing intervention in Mali (Phase I, 1984-1990; Phase II, 1990-1999). It has been followed up by a new large-scale programme to be implemented in the period 2000-2010. For many years, it was viewed by IFAD as a "reference project" in western Africa. Several features of its design and approach have been replicated elsewhere: its geographic focus; targeting a relatively poor, rainfed food crop area; the objective of self-management of the rural development process by village associations; the central role of credit in developing agricultural output and marketing, functional literacy and training to take over and self-manage community actions; and, finally, the village development funds, which represent village-association capital cofinanced by participating farmers and the project.

The overall objective of VDFP was to improve the living standards of the rural poor by increasing their food production and farm incomes. This was to be achieved mainly through (1) the promotion of viable, self-managing farmer organizations capable of providing essential services to its members such as marketing and storage, management of equipment, extension, basic education, and public health and (2) the establishment of a self-supporting credit-and-savings system to serve local communities. Phase II gave more attention to institutionalization of credit groups and service providers beyond the lifetime of the project.

As of early 1999, programme activities had been conducted by 7 200 production units in 207 villages, representing approximately 85 percent of the expected

Annex 9

Summaries of the mini-case studies presented at the SLA Forum

beneficiary population and roughly one-third of the Ségou District's rural population. Compared with the 1980s, production, income levels and living conditions have improved in virtually all programme villages. In many of the participating villages, the key improvement mentioned by residents was the "broader mentality", which was a combined effect of literacy training; the spirit of organizing and working together; dialogue with project agents and other stakeholders; the promotion of trade relations; and intervillage meetings. The involvement of farmer organizations in marketing activities allowed for substantial benefits to be reaped and provided marketing training to hundreds of farmers who took part in the procurement teams.

The development of village infrastructure for communications, health, training, and drinking-water helped improve residents' living conditions. These investments have had a significant impact on diminishing women's workloads. While women feel that actions to improve their situation have been slow in coming and remain limited in scope, they have been able to assert their rights as full participants in village life.

Functional literacy training and technical training have led to the emergence of a village élite that is capable of helping the community in its development actions and in negotiations with external partners. The creation of umbrella intervillage structures has allowed farmer organizations to build real capacity for representation and negotiation and thus act as interlocutors with partner structures at the district and regional levels. More important, intervillage organizations contribute to exchanges of experience and knowledge among farmer organizations.

Programme experience in terms of rural organization, local skills-building, marketing operations and the establishment of village development funds has shown that it is possible to launch a local development process with effective community participation in a Sahelian region that practises rainfed food crop cultivation. However, it took the programme more than 15 years to attain this objective. Still, if additional outside support is not forthcoming, there is no guarantee that the organizations will be successful in their mission, although the ongoing activities of the local organizations look promising.

MONGOLIA:THE ARHANGAI RURAL POVERTY-ALLEVIATION PROJECT

The rapid changes emanating from the collapse of the country's command economy and its transition to a market economy at the end of the 1980s resulted in the emergence of poverty, which had hitherto been unknown to Mongolia. With livestock ownership so widespread among poor rural households, the livestock sector was seen as the key to the reduction of rural poverty. The privatization of livestock and the urban-rural relocation of families that had lost their employment and taken up herding have resulted in the emergence of households with insufficient animals to provide an adequate means of livelihood. In addition, high levels of poverty have emerged among households in the provincial and district centres due to the loss of employment.

Objectives

The overall objective of the project is to reduce poverty through the redistribution of livestock to poor and very poor herding households and the development of vegetable production and income-generating activities by other poor households. The project has the following specific objectives:

- increase the annual income and asset ownership of poor and very poor herding households;
- improve the nutrition, reduce the food expenditure and increase the incomes of other poor and very poor households;
- effectively implement livestock redistribution and vegetable production activities and develop a replicable model for implementation in other provinces;
- facilitate the transition of the livestock industry and its support services within Arhangai into the market economy in a manner that minimizes economic and personal loss in the process of change.

To achieve these objectives, the project has the following four components:

- livestock redistribution;
- vegetable production and other income-generating activities;
- project implementation and institutional support;
- technical assistance, studies and training.

Project area and target group

The project areas initially comprised Arhangai Province. Following the mid-term review, project activities were extended to a second province, Huvsgul. As Arhangai is a rural area with no major urban areas, the target group comprises all poor and very poor households in the province (10 730 households in Arhangai in 1996).

Project period and costs

The project is to be implemented over a seven-year period. It became effective in November 1996 and will close at the end of 2003. Total project costs are about US$5.5 million, of which about 5 million are financed by an IFAD loan and the reminder by counterpart funds from the Government of Mongolia.

This study describes the project implementation process and highlights the critical issues the project faced since its start-up. The mid-term review, which was carried out in 1998, found that the implementation of the livestock redistribution had progressed remarkably well. Beneficiary households had been selected in a participatory and transparent manner, and the immediate impact on the participants'income and nutrition was impressive. The changes introduced to the livestock component affected the eligibility criteria, leading to a shift towards the slightly better off in terms of livestock ownership, and leaving out the poorest households. Also, the loan size had been increased, which was basically a reaction to the increasing poverty line and worsening terms of trade for the livestock sector, requiring a larger herd to sustain a family. The vegetable production component has shown to effectively reach and benefit poor urban households. The project support to income-generating activities has not been initiated yet. Project activities meant to support the livestock component and reduce herders'risk still need to be taken up.

ZAMBIA: IMPROVING HOUSEHOLD FOOD SECURITY AND NUTRITION IN LUAPULA VALLEY

In April 1997, FAO, in collaboration with the Government of Zambia, and with funding by the Belgian Survival Fund, began implementation of an integrated five-year project focusing on household food security and nutrition. The project aims to improve year-round access to a balanced diet that is adequate in energy, vitamin A, iron and other macro- and micronutrients.

The project was based on the outcome of a six-month preparatory project during which an appraisal was carried out by a multidisciplinary team of national and international experts. An in-depth analysis of the food and nutrition situation in the Luapula Valley revealed that many households were food insecure and over 50 percent of children under five years of age were suffering from chronic malnutrition. The affected households were found to have inadequate access to adequate food, to live in unsanitary environments without access to adequate health care and sufficient and clean water, and to lack access to appropriate education and information. In order to find and implement lasting solutions to these problems, the project emphasizes the importance of intersectoral action involving the agriculture, health, community development and education sectors, and encourages the empowerment of communities with the aim of increasing people's capacities to develop and implement their own development actions.

The Luapula Valley project has now been operational for three years. A mid-term beneficiary assessment and external evaluation were undertaken in mid-1999 and concluded that the project had made remarkable progress with regard to community development and agricultural production. However, nutrition and health activities were lagging behind. Following the evaluation's recommendations, and in line with the original project document, renewed emphasis is being given to direct nutrition activities and their integration with other sectoral activities as an important step towards achieving project impact. Better integration will be attained through strengthening intersectoral coordination and collaboration at regional and district levels through the district and provincial development coordinating committees. Continuing emphasis will placed on building capacity within the communities through strengthening groups and group associations to ensure that the communities can stand on their own feet after the termination of the project.

As part of the case study, thirteen critical issues have been identified and are being discussed in

chronological order along the time line of the project. One of the issues concerns the technical and operational implications of project design for the implementation of integrated and participatory approaches. The case study reviews the constraints and opportunities that arise in efforts to institutionalize these approaches within community and public-sector organizations. The difficulties in targeting the most vulnerable households and finding ways that will enable them to derive benefits from the project are also discussed. The paper concludes with a summary of lessons learned and calls for a review of current thinking on project design and implementation (namely, logical framework, quantification, objectively verifiable indicators, etc.) in the context of contributing towards improving people's livelihoods on a sustainable basis.

THE SUSTAINABLE FISHERIES LIVELIHOODS PROJECT

The Sustainable Fisheries Livelihood Project (SFLP) is based in 25 West African countries. It is funded by the United Kingdom Government's Department for International Development (DFID) and is implemented through FAO.

The project was initiated as a sustainable livelihoods project and its design evolved as the sustainable livelihoods (SL) approach was being developed within DFID. It was built upon a long-term awareness of the problems facing fishing communities in West Africa that had evolved from a strong network of people within the region that was supported by a previous FAO project.

The SFLP has a clear entry point: that of implementing the Code of Conduct for Responsible Fisheries. It does this in ways that can inform the wider application of the code to support the sustainable livelihoods of fishers globally. The Code of Conduct for Responsible Fisheries is a globally agreed upon set of guidelines for how participants in the fisheries sector will manage the development of the sector to achieve poverty alleviation, increased food security, improved working conditions, more inclusive decision-making, reduced vulnerability and more sustainable use of resources. The code came into effect in 1995 and its implementation is supported by FAO.

The SFLP is designed in an extremely flexible way to maximize the participation of fishers in the implementation process. It is also designed both to address current poverty in the sector and to anticipate poverty through its concern for the vulnerability of the communities who depend upon the fragile natural resource base.

Key outputs of the project are:

- incorporation of the code into national plans and policies;
- improved capacity of communities to participate in fisheries planning and management;
- establishment of community-based co-management systems;
- enhancement and protection of aquatic ecosystems and resources;
- enhancement of economic and social benefits from artisanal fisheries;
- wider policy informed from experiences.

All the stakeholders concerned will jointly decide how those outputs will be achieved.

A key part of the project is the ongoing monitoring that will feed back into the detailed design. The monitoring will focus both on the immediate effects on the structures and processes that influence the management of the sector and on the impacts on the lives of the fishers themselves. In this way the linkages between what is happening at the micro level and what is happening at the macro level will be established. While the project will take the fisheries sector as its entry point it will not focus exclusively on it. The implications of change within the sector will be considered in terms of the wider context of people's lives and in terms of the need to integrate fisheries into broader coastal and lakeshore management and development systems.

The project has been operational only since the beginning of 2000, but already lessons are being learned. In particular the following:

- SLAs do not need to start from scratch, they can build upon what has gone before.
- SLAs do not have to work in isolation from other approaches such as the Code of Conduct.
- SLAs are equally applicable to the vulnerable as well as to the poor.
- Raising awareness of SL approaches among partners is extremely important at an early stage.

The SFLP will be an important project for informing the evolution of sustainable livelihood approaches within DFID, especially in the fisheries and aquatic resources sector.

INDONESIA (DELIVERI)

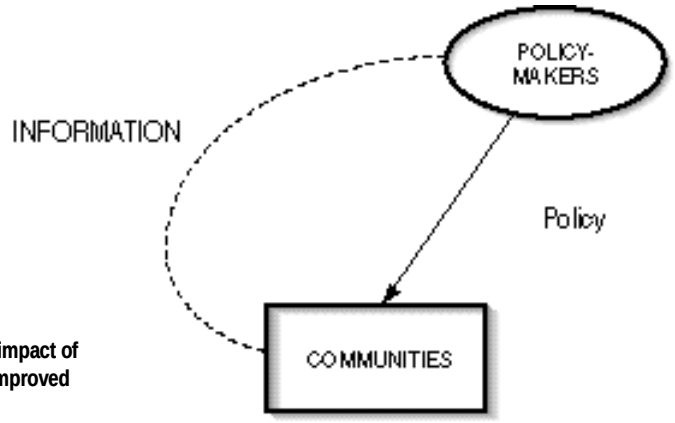
Now entering its fifth and final year, DELIVERI is a project whose purpose is to reorient specific (mainly government) institutions towards the needs of resource-poor farmers. In doing so, it has put much of its energies into identifying those needs in all their complexity. This means that although it was designed and largely implemented before DFID's SL framework was conceived, it is of interest in exploring the practical implications of SLAs. This is so for two reasons:

- It was a project that focused specifically on the behaviour of government and its impact on the livelihoods of the poor.
- In doing so, it set about exploring the various factors that influenced people's livelihoods, as seen by the beneficiaries themselves.

The two main aspects of this mini-study are, therefore, the design of the project and its drive to institutionalize an appreciation of the complexities of resource-poor farmers' livelihood strategies into its target institutions, policies and systems.

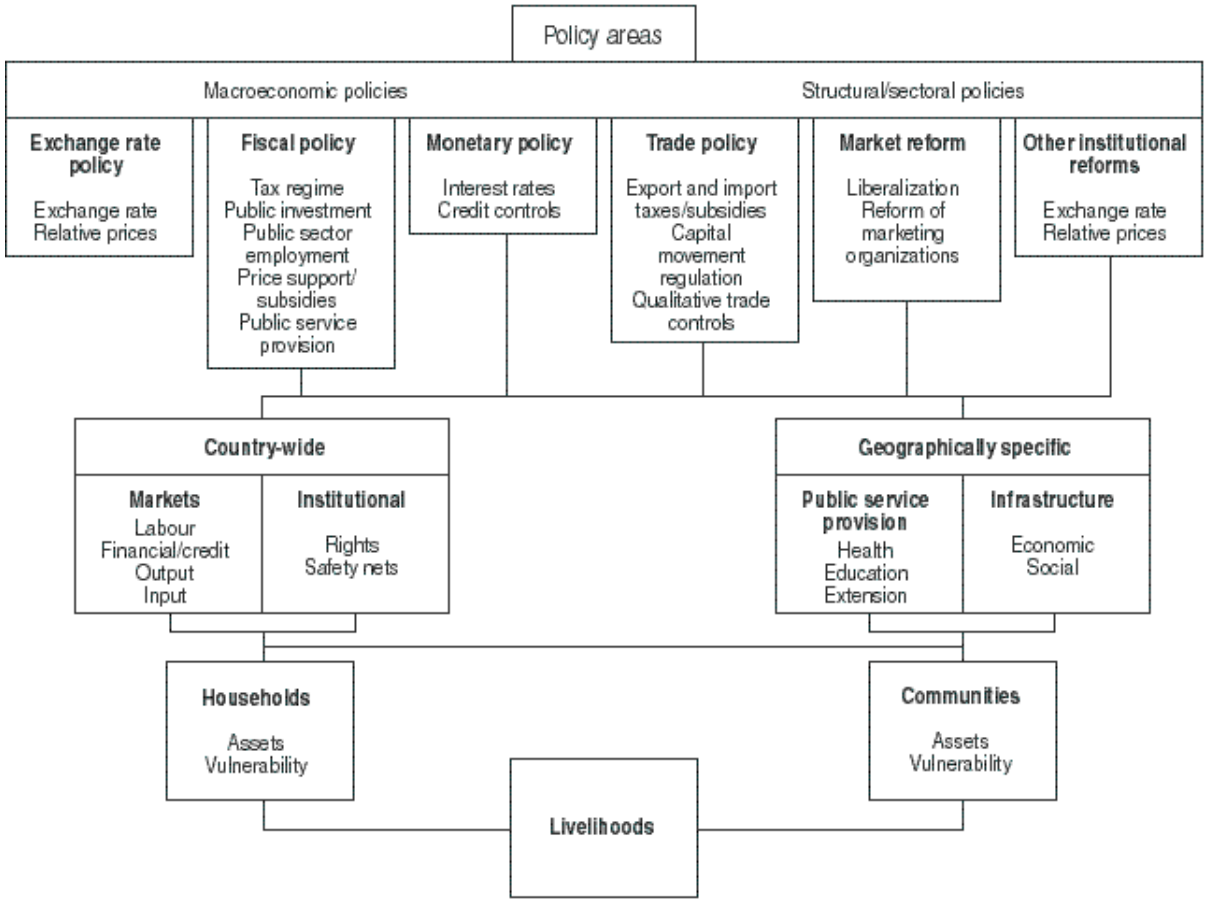
Annex 10

Transparencies for special presentations made at the SLA Forum



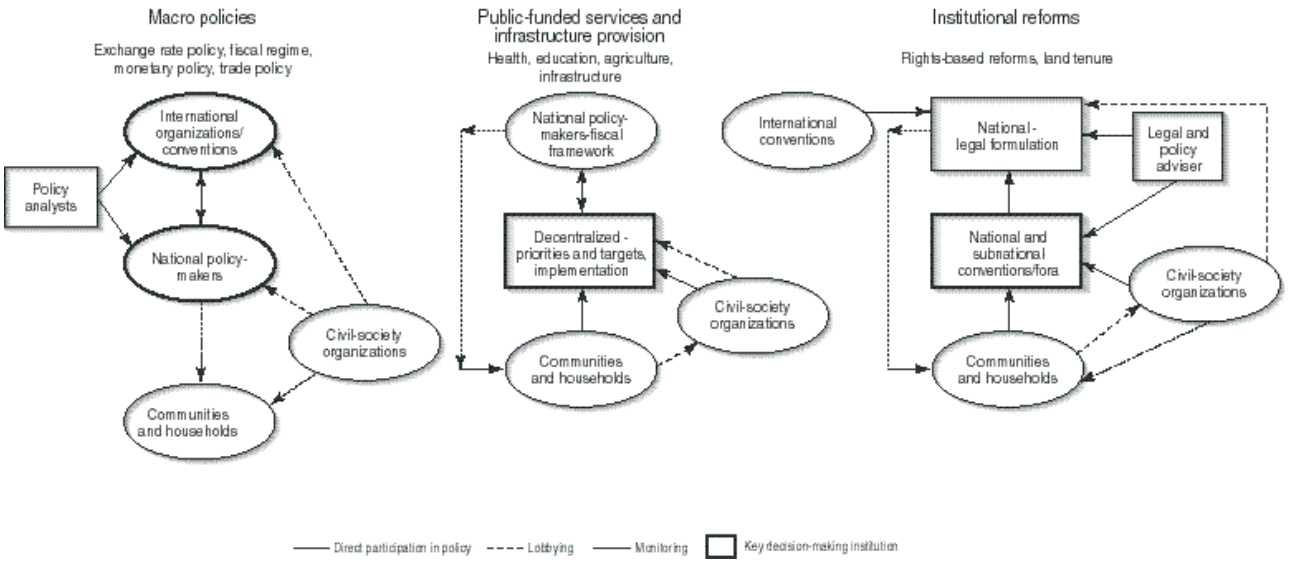
- **Better understanding of livelihoods and impact of policy on livelihood strategies leads to improved policy choices**

Macro-meso-micro linkages between policies and livelihoods



- **Building community capacity to participate in the policy process leads to more relevant and improved policy**

SL-friendly policy processes



The design of the project

Following a long tradition of DFID involvement in the Indonesian livestock sector, the designers of the project stepped outside the previous technical confines of DFID's historical role in the sector to re-examine the constraints on livestock development among resource-poor farmers. Their conclusions were that a complex of institutional weaknesses in the government livestock services underpinned a rigid and unresponsive supply of services that was incapable of accommodating the varied needs of poor farmers. The project was therefore designed to address those weaknesses and alter the way the Government, together with other relevant institutions, related to the poor.

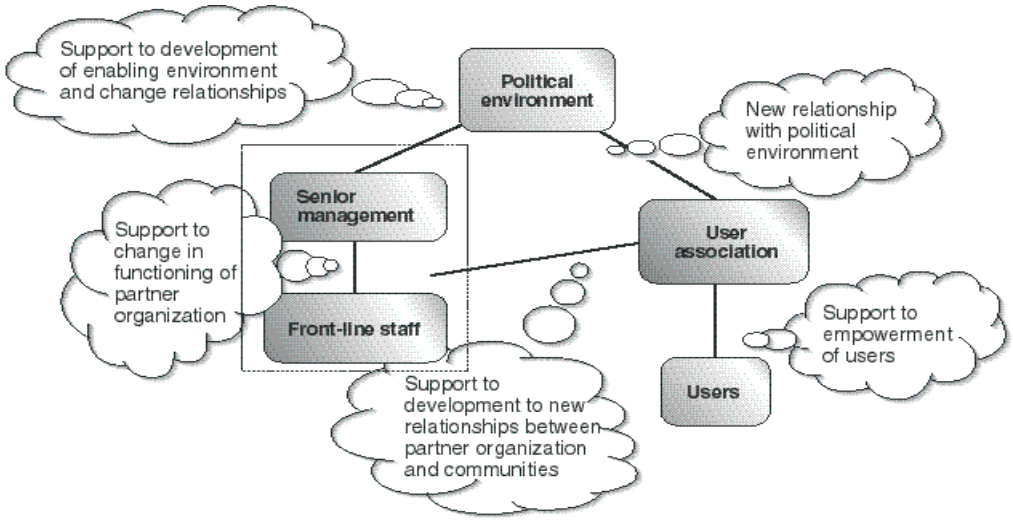
The institutionalization of and appreciation of livelihood strategies

DELIVERI has brought about institutional change by piloting a range of innovative service supply models, which involved analysing the needs of poor farmers and designing methods for responding to them. These were then used to make changes higher in the institution.

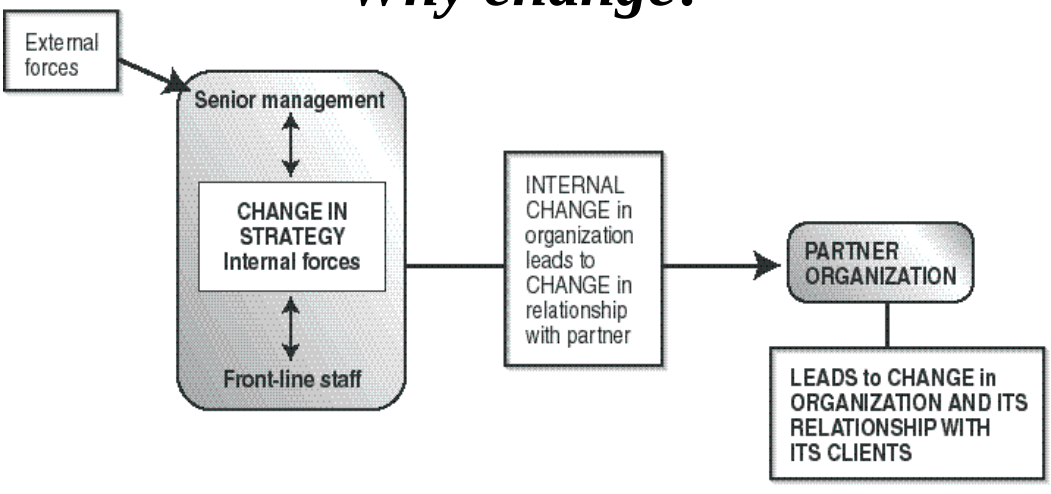
Central to many of the pilots was a participatory cycle of participatory inquiry, planning, implementa-

The pattern of relationships* between *an organization and its clients will tend to replicate the pattern of relationships* within *the organization

Where have we tended to focus?



Why change?



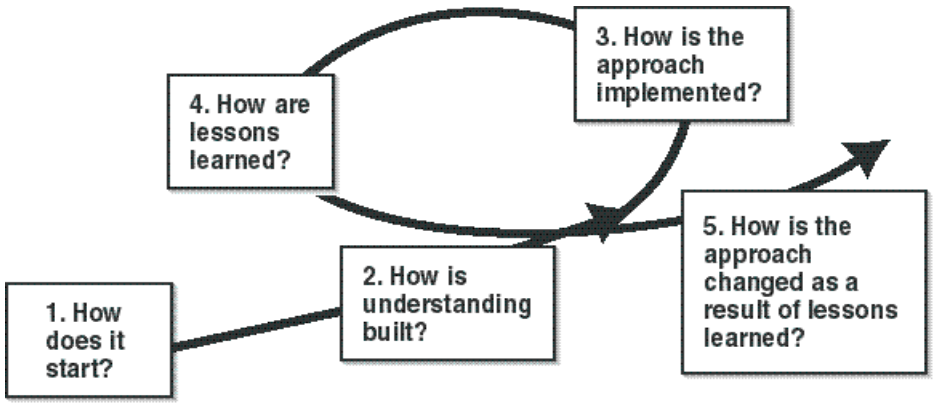
If we want to adopt SL approaches, what are the implications for us?

- **How do we make SL approaches and principles a part of the way of doing and thinking in our organizations?**
- **What needs to be adjusted in our organizations to make SL approaches mainstream: style, systems, skills, shared understanding, culture, structures (or none of these)?**

Key words emerging from our SLA debate: what are their organizational implications?

- **Flexibility**
- **Adaptation**
- **Learning**
- **Interdisciplinary**
- **Long-term but dynamic relationships**
- **New partnerships**
- **New skills (conflict management, policy processes, transformation of organizations...)**

Internalization of SLA: five stages of change



At the start

- **What are the driving forces for internalization of SL approaches - internal or external (e.g. DFID's *White Paper*, policy, focus and paradigm; reassessment in some agencies of effectiveness in alleviating poverty - sense of crisis)?**
- **Where does it start, at what level (e.g. HQ or field [senior or middle]) and does it matter?**
- **Who drives it? One person, a team of people? Where do they get their mandate?**

How do you build acceptance and understanding of these approaches?

- **How important is senior management's commitment to new ideas and processes of internalization?**
- **How do you build a shared understanding? What processes can be used (e.g. pilot projects, workshops, training, dialogue with other organizations in same-change process)?**
- **How do you deal with resistance to the approaches?**

...And more

- **How do you avoid it becoming seen as an idea imposed from HQ on the field - or perhaps vice versa?**
- **What other forms of communication can be used - websites, newsletters, working groups of interested individuals? How effective are these at developing broad-based understanding?**

What is needed to implement SL approaches?

- **How fundamental are the changes actually required in the organization? Is it an evolution or should it be a revolution?**
- **At what levels are the changes required: strategy, design of projects/programmes, structures within the organizations, new skills, recruitment processes?**

...and critically

- **What are the implications for the staff at the front line or interface of your organization with partners (e.g. how do you develop the understanding and commitment of donors working through consultants process or develop implementing NGOs' understanding with their field staff)?**

How are lessons learned?

- **How do you build learning on SL into change of practice within organizations? What are the mechanisms and processes?**

How is the approach changed?

- **What methods can you employ to ensure that it is an organic approach and not a static "fad"? How do you capture adaption and lead to changes in policy and practices?**

Moving forward: changes in external relations

- **What are the implications for partner organizations - particulary government agencies (sectorally organized)? How are ideas af SL brought into dialogue with them?**

From what we have learned: how much do these elements contribute to change?

- **Create a sense of urgency**
- **Form a powerful change team**
- **Create a vision**
- **Communicate the vision**
- **Develop systems that empower the staff**
- **Plan for and create short-term wins**
- **Consolidate change**
- **Institutionalize changes**

tion and evaluation, carried out by the target communities and facilitated by government field workers. Other pilots operated higher in the institution than the field workers, but served to channel to senior managers and to policy makers the field workers'expanded understanding of the context in which poor farmers worked. The result was an institution that was more equipped and more committed to identifying and supporting farmers' livelihood strategies.

The "critical moments" address three aspects of DELIVERI:

Project identification and design. DELIVERI exploited an entry point in the livestock sector, to bring about change in an institution that has important implications for the livelihoods of the rural poor and that had been diagnosed as having a complex of weaknesses. However, this meant that no holistic overview of the livelihood strategies of the poor was entered into at the design stage, which in turn meant that any other elements crucial to supporting the very poor could not be assessed. Whether or not it could have addressed any more crucial elements, without exploiting its entry point, is also, as yet, an unanswered question.

The selection of the pilots. The project purpose was one of institutional change. The pilots that were used to make this change were subordinate to the institutional purpose in the project logic. This meant that some pilots were conducted that were at best ambiguous to the needs of the resource poor in order to contribute to the overall purpose. This was not an oversight but a strategy agreed upon by the whole project and its stakeholders. This brings us to the question: can we practically expect a project to remain true to the spirit of SLAs at all levels of project design and implementation, or merely in reference to its overall outcome?

The restrictions of a narrow sectoral focus. The participatory planning process was facilitated by field staff from the livestock sector. In examining livelihood strategies, the staff ran the risk of leading a community to uncover important development issues that were beyond their ability as livestock staff to address further. Bearing in mind that all participatory approaches can raise false hopes that further processes cannot satisfy, does this imply that it is inappropriate for staff of a narrow sector to address broad livelihood issues? Does this imply that SLAs are useful for those who have the ability to work cross-sectorally but too awkward a tool for the employees of state-run services to employ?

PAKISTAN PCUD

This mini-case study describes the gender perspective adopted in the Pakistan component of the interregional project. The time frame covers Phase I (1992-1994) and Phase II (1994-1997) of the project. Instead of being closed at the end of the project's second phase, as anticipated, the Pakistan project was continued under national execution, with an extremely minimal budget, until October 1999.

The case study attempts to depict, in an extremely brief form, that although the project staff used gender analysis, PRA techniques and even women's participation as project strategies, they nevertheless encountered implementation problems because forestry staff (international and national) and consultants cannot look at rural communities with a holistic view. The women in this project wanted to participate in upland conservation, but their first priority was to have access to drinking-water, latrines and some cash income. By giving women access to these priorities through training and the use of microcredit, by using their felt needs as entry points, the project was able to spread the conservation message. So, through development and a change in livelihoods, conservation was practised. Initially, the technicians and consultants on this project failed to see how a latrine could be related to forestry or more specifically upland conservation, and understanding came only with time and results.

The case study also highlights the fact that in remote areas where literacy is almost non-existent, it takes years for change to occur. So, if we want to promote sustainable development and attitudinal change, we have to agree to allow people the time to change. Most development projects are still financed for only three to five years, and in many places this is not long enough. Finally, the case study deals with the fact that the poorest and most vulnerable are usually the most difficult to reach in any society, and thus poverty is relative and needs to be defined within each specific situation.

Annex 11

Inter-agency experiences and lessons

FROM THE FORUM ON OPERATIONALIZING SUSTAINABLE LIVELIHOODS APPROACHES

KEY LESSONS

1. Agencies agreed strongly on the guiding principles that underpin sustainable livelihoods (SL) approaches.
2. The SLframework is a diagnostic tool that has to be made context-specific.
3. The tools and methods used to put SL approaches into practice are not specific to SL methodology.
4. SL approaches add value to our work because they:
   - shift the focus from resources to people and from livelihood constraints to people's strengths;
   - emphasize the relationship between people's assets and their resilience in the face of external shocks, highlighting how poverty contributes to vulnerability;
   - focus on the synergy between natural, physical, financial, human and social capital;
   - stress outcomes rather than outputs;
   - prioritize early diagnosis, demand-driven implementation and the establishment of feedback mechanisms;
   - emphasize project design as an iterative process involving continual learning and adaptation on the basis of feedback from unfolding implementation;
   - ensure economic, institutional, social and environmental sustainability through the adoption of exit strategies in the early stages of programme implementation;
   - foster interdisciplinary teamwork;
   - stress the interdependence between "real-life experiences" and the broader policy context as a basis for forging bottom-up micro-macro linkages to bring about policy changes;
   - encourage innovative partnerships.
5. The participatory approaches that underpin the SL guiding principles are not unique to SL approaches and need to be adapted.
6. Aparticipatory analysis of livelihoods, differentiated by socio-economic strata, gender and stages in household cycle, should be conducted *early* on to determine entry points; overinvestment in research and analysis should be avoided by building on existing secondary data and local institutional knowledge and relying as much as possible on pilot interventions accompanied by participatory process monitoring.
7. Holistic diagnosis may result in interventions in a *single sector* or at a *few key entry points*, provided that they address the concerns of the poor.
8. Initial entry points can be sectoral, and can then *widen* to include other sectors.
9. Grassroots institutional capacity-building and risk-management capacity are crucial to sustainability.
10. SL approaches must consider the interaction between livelihood systems at the micro level and their policy environment.
11. SL-driven policy analysis must consider policy content *and* processes.
12. SL approaches upstream are valuable, provided that they are linked to micro-level ground-truthing. Policy changes that are driven from below - that have a strong grassroots power base and are supported by civil society - are likely to be more lasting.
13. Certain issues need further clarification:
    - SL approaches may help us to understand the poor, but do they help us *reach* them?
    - What are the most effective entry points for SL approaches?
    - What is the best way to analyse the policy context and to bring about policy changes?
    - Does the SL framework give adequate guidance on how to prioritize possible project interventions?
    - What outcome indicators can we use to assess the impact of SL approaches?
    - What are the perceived omissions or inadequacies of the DFID SLframework?

BACKGROUND

This report synthesizes the main issues and lessons learned from the Forum. The Forum brought together several agencies that had been applying or developing sustainable livelihoods (SL) approaches in their work, including CARE, the Department for International

Development (DFID), the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD), the United Nations Development Programme (UNDP) and the World Food Programme (WFP).

The purpose of the Forum was to:

- enable development practitioners to assess the relative merits of a variety of SL approaches in programme/project design and implementation;
- strengthen the capacity of participating agencies to apply SL approaches;
- identify issues that need to be resolved if SL approaches are to be institutionalized.

The Forum was expected to provide participants the opportunity to:

- share experiences of applying SL approaches in a range of field projects;
- explore and plan how best to put SL approaches into practice.

The Forum followed the three-week web/e-mail conference "Operationalizing participatory ways of applying SL approaches", which served to familiarize Forum participants with SL concepts, guiding principles and the SL framework. Four theme papers were prepared as a basis for discussion during the Web/E-Conference[1], and theme moderators prepared guidance notes to support them.

The Forum was organized around a series of case studies in order to focus discussion on concrete issues related to operationalizing SLapproaches. Each agency prepared and presented one or more of its own project experiences as a basis for analysing the strengths and weaknesses of SL approaches. Case studies were selected that typified the range of situations confronted by development agencies. These ran the gamut from drought-prone areas of Mali, to upland watersheds in Latin America, to flood-prone lowland paddy areas in Bangladesh, to cold grasslands in Mongolia. Four of the eight case studies concerned sustainable natural resource management (watershed management, land husbandry, soil and water conservation, integrated pest management). The remaining four were examples of dryland agriculture, artisanal fisheries, livestock and household food security (see Table 1). Four mini-case studies dealt with cross-cutting issues: gender, rural micro-finance, institutional restructuring and the design of a sectoral regional project.

Forum participants were split up into groups of seven to eight members, each with well-defined terms of reference. The groups had to: (1) understand the project as designed, then apply the SLframework and assess what might have changed if SLprinciples had been used; (2) analyse how the project evolved during implementation, then apply SL principles and discuss what difference this might have made to implementation; (3) examine project outcomes and consider whether the application of SL approaches would have resulted in substantially different outcomes; (4) suggest ways of redesigning the project in the light of SL approaches and identify constraints likely to emerge in implementing the redesigned project; and (5) draw out lessons regarding the value added by SLapproaches and flag any issues needing further clarification.

At the end of the second day, each case study group reported back to the plenary group, which then prioritized the most important unresolved issues. New "issue groups" were formed to discuss these and report back to the plenary group.

Unresolved issues

1. What are the best entry points for SL approaches?
2. Do SL approaches add value for implementation?
3. If SL approaches help agencies understand the poor, do they help reach them?
4. Do SL approaches always need a policy dimension?
5. How much diagnosis and when?
6. Are SL approaches culture-bound?
7. Can SL approaches work in authoritarian regimes?
8. What do SL approaches imply for donor agencies?

Participants then broke up into agency-specific groups to discuss the implications of SL approaches for operations in their own agencies.

As a postscript to the Forum, after the closing session, an inter-agency managers' meeting endorsed recommendations from the Forum on the question: "Where do we go from here?"

LESSONS LEARNED

What are SL?

The need to clarify what SLapproaches are emerged as a central concern of the Forum. There was consensus that SL approaches comprised two elements: the *SL guiding principles* and the *SLframework*. The tools and methods used to put sustainable livelihoods into practice are essential but not specific to SL approaches.

[1] These were "Livelihoods approaches compared", by Diana Carney *et al.*; "Operationalizing household livelihood security", by Tim R. Frankenberger, Michael Drinkwater and Daniel Maxwell; "Sustainable livelihoods approaches at the policy level", by Anne M. Thomson; and "Institutions and sustainable livelihoods", by Jim Bingen (see Annex 4).

TABLE 1

Summary of case studies for the Forum

Country	Project	Donor/ agency	Sector/ entry points	Evolution
Bangladesh	INTERFISH	DFID	• Agriculture:integrated pest management (fish/rice)	• Strengthening village institutions • Empowerment • Education • Specific poverty focus
Bolivia	Upper Piraí Participatory & Integrated Watershed Management	FAO/Italy	• Watershed management	• Participation • Community development planning • Governance
Ethiopia	Soil & Water Conservation in the Ethiopian Highlands	WFP/WB/ UNDP/FAO	• Soil & water conservation	• Participatory approach • Community empowerment
Honduras	Lempira Sur Project	FAO/NL	• Agriculture:sustainable hillside farming systems	• Community empowerment • Health • Education • Governance • Policy
Malawi	Malawi Sustainable Livelihoods Programme	UNDP	• Food security • Enterprise development & employment generation • Environmental/natural resource management	• Coordination • Poverty policy analysis & programming • Participation • Communication • Science & technology
Mali	Segou Village Development Fund	IFAD	• Agriculture - food production • Credit for animal traction • Village associations (elders)	• Community empowerment • Institutional development • Health • Literacy • Credit & savings
Mongolia	Arhangai Rural Poverty Alleviation Project	IFAD	• Credit for restocking • Vegetable production	• Income-generation
Zambia	Improving Household Food Security & Nutrition in the Luapula Valley	FAO/Belgian Survival Fund	• Food security & nutrition	• Agriculture • Health • Community development • Education • Community empowerment

The SLguiding principles. These are a guide to the main concerns of sustainable livelihoods. They are the defining characteristics of development interventions that have been designed to address issues identified through the use of the SLframework. But they are only *guiding* principles. They neither prescribe solutions nor dictate methods, not least because the guiding principles themselves prioritize flexibility and adaptation to the diverse nature of local conditions. SLguiding principles[2] are to:

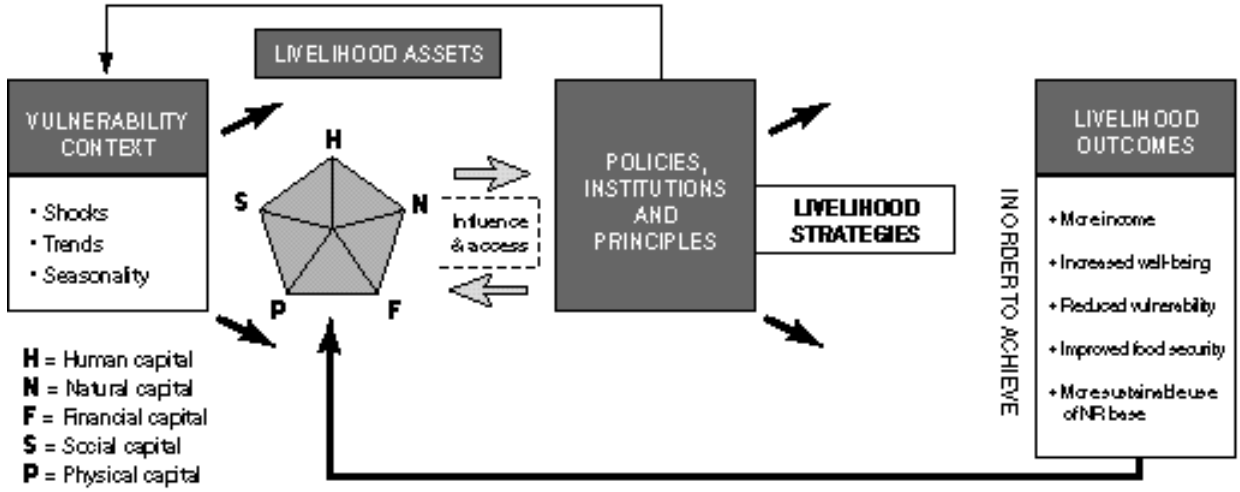
1. Be people-centred:
   - SL approaches start by analysing people's livelihoods and how they change over time.
   - SL approaches engage the active participation of the target population throughout the project cycle.
2. Be holistic:
   - SL approaches acknowledge that people adopt multiple strategies to secure their livelihoods.
   - Livelihoods analysis is applied across sectors, geographical areas and social groups.
   - SL approaches recognize multiple actors (the private sector, ministries, community-based organizations and international bodies).
3. Be dynamic:
   - SL approaches seek to understand the dynamic nature of livelihoods and the influences on them.
4. Build on strengths:
   - SL approaches build on people's perceived strengths and opportunities rather than focusing on their problems and needs. They support and enhance existing livelihood strategies and coping mechanisms of the poor. (Even the poorest households have potential.)
5. Use micro-macro links:
   - SL approaches examine the influence of macro-level policy and institutions on livelihood options and highlight the need for policy to be informed by insights from the local level and by the priorities of the poor.
6. Aim for sustainability:
   - Sustainability is important if poverty reduction is to be lasting. Sustainability of livelihoods rests on several dimensions.

The SL framework. The SLframework is an analytical tool for understanding livelihoods systems and strategies and their interaction with policies and institutions. However, it needs to be made context-specific. This will often imply changing or adding elements to reflect local social, cultural, political and economic realities.

A wide range of diverse tools and methods may be

[2] Adapted from C. Ashley & D. Carney, 1999, "Sustainable livelihoods:lessons from early experience," London, DFID.

FIGURE:
Sustainable livelihoods framework



Sources: DFID

used to design and implement projects that can contribute to achieving sustainable livelihoods. These methods, however, are not exclusive to SL approaches.

Consensus on the SL guiding principles

Participants acknowledged that reaching consensus on the guiding principles of SL approaches is a major strength:

- There is a need to get away from different "terminologies"; a shared vision is more important.
- The SL guiding principles make it easier for each agency to emphasize the aspects relevant to its own mandate and operations.

How do SL approaches add value to our work?

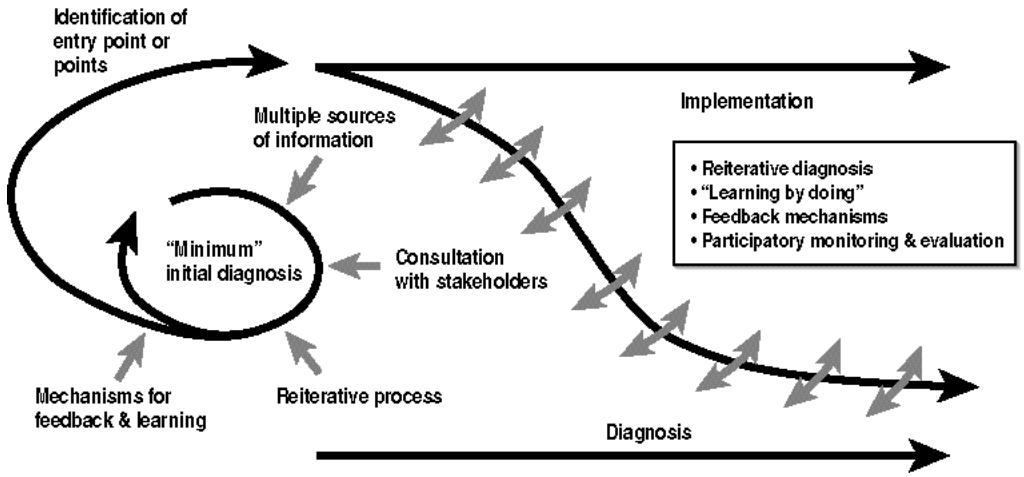
Forum participants agreed that the use of the SL framework and the incorporation of the guiding principles into development policy, planning and implementation could add value in a number of ways:

1. SL approaches shift the focus from resources to people and from problems, constraints and needs to perceived strengths, opportunities, coping strategies, and local initiative.
2. SL approaches encourage early diagnosis and the establishment of feedback mechanisms within projects that can lead to a better identification and understanding of poverty and the development of diverse strategies for addressing it. (These strategies do not necessarily involve working exclusively with the poor.)
3. SL approaches require a more systematic assessment of the vulnerability and assets of people, which makes it easier to identify more appropriate entry points.
4. Applying the SLframework reveals how the inability to cope with shocks and stresses increases the vul-

TABLE 2
Tools and methods useful for SL approaches

Diagnostic tools	Implementation tools & methods	Monitoring & evaluation tools & methods
• PRA/PLA	• Participatory planning	• Participatory monitoring & evaluation
• RRA	• ZOPP	• Impact monitoring & evaluation
• Household surveys	• Community action plans	
• Stakeholder analysis & consultation	• Institutional capacity-building	
• Case studies	• Farming systems research	
• Institutional capacity analysis	• Action research	
• Vulnerability	• Farmer field schools	
• Poverty mapping (VAM/FIVIMS)	• Integrated & participatory policy development	
• Livelihood security assessment (CARE)		

FIGURE:
Sustainable livelihoods framework



Sources: DFID

nerability of the poor. Making the relationships between vulnerability and poverty explicit was held to be an extremely important contribution.

5. Use of the SLframework helps agencies focus on outcomes rather than outputs. Striving to achieve outputs reduces flexibility and may succeed at the cost of the sustainability of the processes. Participants acknowledged that working towards process outcomes rather than outputs could address both concerns.
6. The focus on synergy between different types of capital also adds value. Projects that strengthen human and social capital in synergy with physical, natural or financial capital are more likely to bring about sustainable outcomes.
7. SL approaches also improve the relevance of interventions with a poverty focus. This may involve partnership with organizations that were previously "invisible" to decision-makers.
8. The SLframework provides a valuable structure for promoting and integrating interdisciplinary teamwork; indeed, the guiding principles provide a common language, and the framework assists agencies in structuring information from different disciplines.
9. Providing essential information on how prevailing structures and processes affect people's livelihoods, SLapproaches ensure that policy and institutional aspects are not neglected.
10. The use of SLapproaches can encourage the design of open-ended, flexible development interventions. In fact, the guiding principles espouse a process of continual learning and analysis throughout the life of a project or a programme. This implies that any "diagnosis" emerging from SLapproaches must necessarily be dynamic and iterative.
11. When dynamic and iterative diagnosis is built into a project, it increases that project's capacity to react and adapt to new needs and changing conditions and to tailor interventions to suit the poor.
12. These built-in, participatory feedback mechanisms can also contribute to improving the design and implementation of projects, making them more relevant to livelihood issues encountered at the local level. In several of the projects analysed during the Forum (Bolivia, Honduras, INTERFISH, Zambia), practitioners relied on such mechanisms to adjust the design of their projects and improve their implementation.
13. SL approaches add value to implementation when they bring about a continual process of demand-driven implementation, participatory feedback and implementation readjustment.
14. Since SLapproaches are holistic and call for flexibility, they allow for a greater capacity to respond to contingencies.
15. SL approaches recognize the need for partnerships because people's livelihood strategies are multisectoral and no one agency can be an expert in all fields. This points to the need to identify the core competencies and comparative advantages of agencies. The emphasis on building new and innovative partnerships across projects, line agencies, NGOs, civil society, the private sector and donor agencies was viewed as an important contribution of sustainable livelihoods approaches.

Overarching lessons

Participation and SL approaches. Participatory approach-

MAJOR PARTNERSHIPPRINCIPLES (CARE)

- Weave a fabric of sustainability
- Acknowledge interdependence
- Build trust
- Find shared vision, goals, values and interests
- Honour the range of resources
- Generate a culture of mutual support
- Find opportunities for creative synergy
- Address relationship difficulties as they occur
- See partnering as a continuous learning process

The participatory element of SL approaches, and the resulting focus on people's livelihoods, is a powerful contributor to sustainability. The first phase of the WFPproject in Ethiopia was implemented under a coercive and authoritarian regime. Project interventions attempted to address land degradation, but activities were implemented through coercive "mass mobilization". With the fall of the Derg regime in 1991, communities started to revolt against the system. This led to widespread destruction of communal woodlots and physical conservation structures. The few community woodlots that were untouched were those that the communities had specifically requested and whose species composition they had selected.

Sustainability. Within the SL framework, sustainability must be looked at holistically, and it should concern:

- economic sustainability;
- institutional sustainability;
- human and social sustainability;
- environmental and agro-ecological sustainability.

Working at multiple levels. It is crucial to ensure that micro-level institutions/organizations influence the development of policy to secure an effective enabling environment, and that macro-level structures and processes support people to build on their own strengths.

Develop a shared vision of change. The poor have problems and weaknesses. They also have strengths and opportunities, and they often have clear aspirations of where they want to be in the future. It is important to help them to bring about this vision.

"Buy into" SLapproaches. Policy-makers and implementers at all levels, as well as the private sector, must "buy into" SL principles and processes. Indications from several projects, including DELIVERI and Honduras, point to the crucial role that internal champions can play in facilitating this process.

Skills, attitudes and knowledge. The use of SL approaches requires new skills, attitudes and knowledge that need to be introduced across organizations, agencies and staff at all levels.

Other lessons learned: diagnosis and design

Participatory diagnosis of livelihoods is essential prior to designing a project and selecting entry points. Projects that had failed to undertake a holistic analysis of livelihood systems prior to design often adopted strategies and entry points that were largely irrelevant to the local population, especially the poor. For instance, natural resource management (NRM) projects in Bolivia and Pakistan had to expend a lot of project staff time and resources on raising awareness of their NRM initiatives because these did not correspond to the communities' felt needs.

Inappropriate entry points. Agencies should be wary of committing themselves to a narrow or commodity-based institutional entry point unless communities have been consulted or a participatory analysis of

Mali – how lack of initial diagnosis led to inappropriate entry points

The Mali Segou Village Development Fund Project largely bypassed the poorest households because insufficient attention was given at the project design stage to socio-economic differentiation within the project area or to the livelihood systems of the poor. The main entry point – animal traction – excluded the poorest households. Moreover, the project failed to reach women and youth because it selected village associations – which are composed of elderly male heads of extended household production units – as its institutional entry point.This was rectified in the course of the project's successive phases, as a result of evaluations.

TABLE 3
Household typology - Bolivia case study

Parameter	Urban-oriented "outstanding HHs"	Farm-focused ("rich and successful "middle-class"HHs)	Marginal "poor"and impoverished "middle-class"HHs
Location of house(s)	House(s) in Santa Cruz, Samaipata and the community	Houses in the community and in Samaipata	House in the community
Occupation	Professional or business people	Farmers working their own land	Day labourers or sharecroppers
Access to credit	Access to formal banking services and credit	Access to micro-credit	No access to credit
Labour use	Able to hire share-croppers or day-labourers	Able to participate in reciprocal exchange labour	Often excluded from reciprocal exchange labour
Farm size and type	Own over 20 ha of land with established orchards	Own 5-20 ha with established orchards	Landless or owning <5 ha of degraded land
Livestock ownership	Over 20 head of cattle	Fewer than 20 head of cattle (among *Vallunos*)	No cattle
Means of transport	Own truck or pick-up	Own pick-up or motorbike	No private transport
Education and literacy	Educated, with sons studying in town	Literate	Illiterate
Role in local politics	Influential in local politics	Active in self-help groups or community-based organizations	Do not participate in self-help groups or community based organizations

livelihoods has been carried out. Institutional commitments can make it difficult to change the project's entry point once implementation has begun.

Data produced from livelihood analyses should always be disaggregated by gender, age and socio-economic stratum. To ensure that project interventions address the concerns of the poor and build upon their strengths, it is essential that diagnostic studies start from a disaggregated analysis of the asset base and livelihood systems of different socio-economic strata, and develop a household typology.[3] **Different socio-economic categories within a community can have widely different livelihood strategies.**

Importance and timing of diagnosis. The Forum consensus was that initial diagnosis, followed by continual reassessment in the light of changing experience, is essential for the following reasons:

- Project planners cannot rely exclusively on secondary data; they need to understand the historical evolution of livelihood systems and coping strategies through the eyes of local people, especially the poor, as a basis for defining the project strategy.
- Even process projects that are demand-driven need to examine the supply side. They need to understand the range of support that beneficiaries are likely to request in order to identify which local institutions (public-sector, private-sector or NGOs) have the capacity to provide the services.
- Joint diagnosis can be a way of establishing a joint learning process and building local ownership of a programme or project. "The process of finding out educates and informs all stakeholders" – Mongolia case study group.
- Participation in diagnosis can be a way of building consensus among financing agencies, implementing agencies and intended beneficiaries. "Consensus among stakeholders who have competing priorities" - Mongolia case study group.
- Direct dialogue helps to increase the accountability of implementing agency staff to the intended beneficiaries.

The Forum consensus was that projects building on 10 to 15 years of experience - which includes analyses of livelihood systems and action research-cum-evaluation - should avoid overinvestment of time and resources in diagnosis. Instead, project planners should rely as much as possible on secondary data and pilot interventions, coupled with participatory process monitoring and adjustment during project implementation.[4] Whereas, when entering a new area, a more substantial diagnostic process would be required up front. Diagnostic tools, however, must be adapted to the local and cultural context.

The holistic analysis may lead to one or more focused interventions. Once the holistic analysis is completed, a decision can be made on the scope of the entry point, e.g. how wide or narrow it should be, and

[3] Life histories have proved effective tools for learning dynamics and the evolution of livelihoods. This helps in an understanding of capitalization and de-capitalization processes.

[4] Knowledge in local academic institutions, government and NGOs should draw upon indigenous knowledge where possible.

Cultural adaptation of diagnostic tools – Pakistan

Ensuring that the views and experiences of women in *purdah* were accounted for offered special challenges for PRA practitioners. Literacy among women in the country is low; most women have had no previous experience participating in meetings and little opportunity to review options and make informed decisions.The project therefore developed special PRA tools that were visual and interactive rather than abstract and reflective. Time and money were spent in designing a gender-specific set of tools to detail a Brahui woman's daily time profile. One of these tools featured a woman in Brahui dress and a series of pictures drawn by a local artist representing women's triple gender roles (productive, reproductive and community management).The tool became quite popular with women.They could identify themselves through the pictures, and as they went through their daily and seasonal routines, they got a sense of how much work they were doing.This augmented their feelings of self-confidence. The project also used village-maintained photo books and a village-produced slide show for discussions. Allowing groups to select and design their own tools reinforces ownership of activities and development planning.

Single-sector or multisectoral entry points?

The DFID DELIVERI project in Indonesia is an example of an SL-type project with a single-sector entry point that worked on several levels within that sector. It aimed to make existing livestock services more client-centred and more responsive to the poor. It started work at subdistrict and community levels and gradually moved up, using the outcomes of pilot experiences at the grassroots level to influence policy-makers at higher administrative levels. By bringing decision-makers from the provincial level face to face with beneficiaries in pilot villages, the project was able to lobby effectively for policy and institutional change.

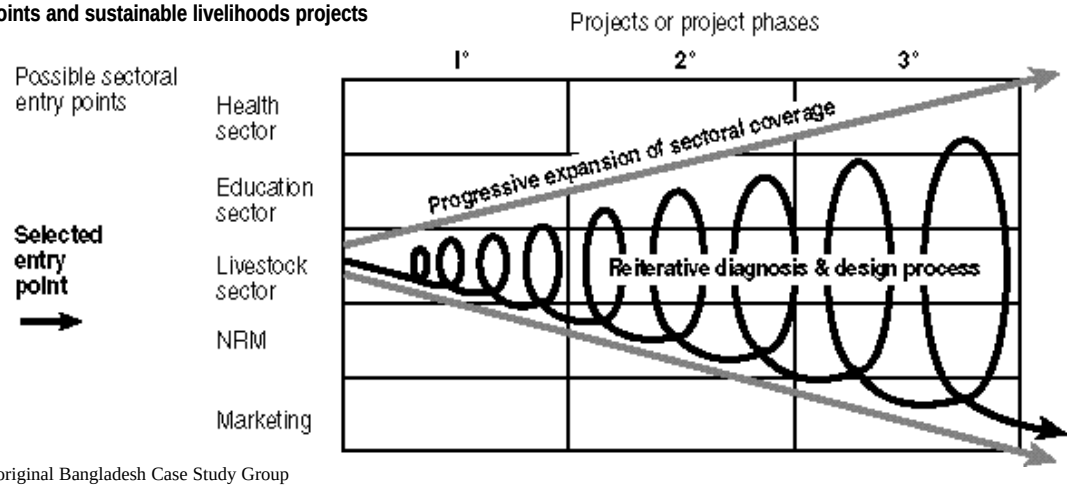
The UNDP Sustainable Livelihoods Project in Malawi went to the opposite extreme. Attempting to formulate a comprehensive action programme covering all relevant sectors, the project concluded that adoption of an SL approach did not mean designing an SL programme to cover all sectors, and that it was preferable to focus implementation on a few key leverage points within the livelihood system.

within which sector, level or group it should lie. It is essential, however, that the needs of the poor be addressed.

Initial entry points may begin by addressing a community's priorities in one sector, and take in other sectors as the programme matures. This allows sequential movement into areas that require more community awareness, such as projects or programmes related to natural resource management (NRM).

Projects or programmes should take advantage of opportunities arising from decentralization to overcome the problems of sectoral entry points. When all government services come under the authority of the district, project funds channelled to the district level or below (bypassing the central ministries) can be allocated to one or another sector on the basis of emerging demand from communities. Decentralized services need not be provided by the line ministries

FIGURE:
Sectoral entry points and sustainable livelihoods projects



Sources: based on original Bangladesh Case Study Group

but may be contracted to a wider range of service providers such as the private sector, NGOs or other civil-society organizations.

NRM projects may exclude certain vulnerable poor groups (e.g. landless, sharecroppers) by focusing on land-based interventions or activities. SL approaches can help in identifying alternative interventions that support the livelihood strategies of the poor. A possible strategy would be to identify those households that do not participate in project activities and, through participatory approaches, identify their members' needs and strengths. Additional initiatives that address those identified needs can then be introduced if they fall within the project's mandate. Alternatively, the needs of the poorest could be addressed indirectly through policy and institutional reform (employment creation, strengthening local institutions). For example, the *Bolivia project* could have influenced land tenure policies to address the felt needs of the landless and sharecroppers. Instead of working exclusively to improve the sustainability of farming practices, the project could have explored alternative options for earning non-farm income, thereby reducing pressure on the land. Another alternative could have been to initiate a different but related project, specifically targeting the functionally landless segments of society.

The *Bangladesh INTERFISH project* used farmer field schools to introduce fish farming in paddy fields. Although the project empowered smallholders, with such an entry point it could not reach the poorest households, most of which had no paddy lands. To justify the project's poverty focus, the project management referred to its target group as "tomorrow's poor" (i.e. "the self-sufficient small farmers who are considered to be vulnerable to any crises or shocks of the rural economy").

Since reaching the landless poor requires a different entry point and strategy, DFID is funding a complementary project, *Strengthening Household Access to Bari Garden Extension (SHABGE)*. This project will assist functionally landless women and men farmers to improve household food security by increasing the productivity of land that is normally devoted to vegetable and fruit-tree production. Beneficiaries comprise households that have a total of one acre (0.40 ha) of land or less, including the land upon which the house is built.

Yet another alternative would be to establish partnership agreements with other agencies or donors to cover areas outside the project's mandate or objectives.

Examples of projects that successfully shifted entry points

Bolivia: Despite its single-sector entry point, this project was able to meet needs outside the agriculture/NRM sector by linking communities with resources provided by donors active in other sectors.

Honduras: This project developed from a single-sector entry point that addressed a felt need and grew to address complementary needs in other sectors.

Pakistan: The initial entry point of this project – watershed management – was of little interest to the local population, but the project was able to shift the focus to fruit-trees and community infrastructure.

Zambia: This project's initial entry point of household food security was too narrow to ensure improvement of nutritional status. The project discovered that food-based activities must go hand in hand with interventions such as primary health care, providing access to clean water and sanitation, nutrition and health education and improved weaning and breastfeeding practices.

Efforts should be made during the design stage to negotiate with the communities to include the marginalized/poorest groups. Establishing the rules of the project through a participatory process - and possibly putting them in writing - could provide the project with the mandate for ensuring that the rights of the poor are respected. Communities requesting partnership in the project would then have to agree on the approach.

The *IFAD-supported P4K project in Indonesia* aims to alleviate poverty by establishing savings and credit groups for landless and functionally landless people. "The rules of the game" of P4K require community members to identify which of the people requesting project support fall below the locally defined poverty threshold. Once identified, these individuals are offered a nurturing period of savings and training, during which they may borrow against the savings of the group. Having repaid their loans at least three times, they are considered to have "graduated" and can then borrow from a commercial bank. As the 1997/98 financial crisis showed, P4K participants were found to be better equipped to resist the shock of the crisis than the rest of the population in the same community.

Choice of partners is crucial. Municipal- or district-level (multisectoral) organizations can make good local partners for SL approaches but may limit opportunities to influence policy at higher levels.The help of line ministries is needed to advocate macro-level policy changes.

Other lessons learned: implementation and monitoring

The majority of the Forum and Web/E-Conference participants had serious reservations about the contribution of SL approaches to implementation. They felt that much of the value added at implementation was not specific to SL approaches but derived from applying the lessons learned from good practice over the past two or three decades in implementing participatory projects and systems-oriented approaches (such as farming systems research or household food security).

Lessons from implementation should guide redesign. The iterative process is likely to reduce risk and improve accuracy of design. The Bolivia, Honduras, Malawi and Zambia projects all benefited from ongoing redesign, which fed into and was informed by the implementation process. This took different forms, ranging from full-fledged yearly participatory assessment by communities (e.g. the Honduras case) to more traditional participatory monitoring. Other projects (e.g. Ethiopia, INTERFISH, Mali, and Mongolia) also underwent partial redesign at mid-term review or at the beginning of successive phases.

Need for an evolutionary and responsive manage - ment. Most successful sector-based initiatives, or single-entry point projects or programmes, owe much to an evolutionary and responsive process approach. This has enabled them to respond to livelihood needs outside the original sector, either by adding new components to the existing project or by forging partnerships with other projects. This was the case for the Bolivia, Honduras and Zambia projects, and to a lesser extent for the Ethiopia project.

Need for holistic outcome indicators. Indicators that better capture the anticipated impact of projects on livelihood outcomes have yet to be identified. Holistic problem analyses carried out prior to designing a programme should indicate what the true cross-sectoral links are likely to be, and so help to identify the minimum set of impact indicators to measure.

Institutional capacity-building at the grassroots level. Capacity-building and empowerment featured prominently in most of the projects analysed (e.g. Bangladesh, Bolivia, Honduras, Malawi, Mali, P4K, Zambia and the latter phase of the Ethiopia project). The strengthening of human and social capital through institution-building at the grassroots level and enhancement of technical skills featured prominently.

The farmer field school (FFS) groups promoted by *INTERFISH* are emerging as solid village institutions that can address community concerns and priorities over and above the technologies adopted through experimentation. The self-help groups fostered under *the food security and nutrition project in Zambia* to develop and implement community action plans are coalescing into apex organizations (associations or federations) that are able to press for better delivery of government services as well as to support community-led initiatives. Similarly, in the *DELIVERI project in Indonesia*, the initial focus of the farmer groups - in community livestock action planning - was livestock problems. The grounding provided in participatory planning allowed some groups to broaden their remit to address new issues such as the:

- establishment of a savings and credit scheme;
- creation of an association to access inputs for rice production;
- emergence of a small enterprise financed from enhanced poultry production.

Capacity-building for risk-management. "Capacity-building efforts must focus on service delivery as well as risk-management. Institutions that are not able to manage risk effectively can quickly become overwhelmed, seriously jeopardizing their ability to continue to provide services. It is this risk-management aspect that is often overlooked in institutional strengthening efforts".[5]

In the absence of a proper analysis of the vulnerability context, the Mali project gave insufficient attention to building local capacity to manage risk. The impact was apparent both at the individual level (in the inability of farming households to reduce the risk of crop failure) and at the collective level (in the vulnerability of village associations and village development funds to credit default in the event of crop failure).

[5] CARE.

In *Mongolia*, with the privatization of the herder collectives (*negdels*), all the risks of herding have been transferred to the herders in a risk-prone environment. Services that the *negdels* used to provide (e.g. marketing, trucks and tractors for seasonal migrations and emergencies, equipment for haymaking) have largely collapsed. Furthermore, herders do not insure their animals, as they lack cash and see the terms as unattractive. As a result, they have reverted to traditional risk-minimizing strategies by having multispecies herds and cooperating with other households in groups, or *khot ails*, for herding in order to cope with the higher labour demand that comes with mixed herds. A new FAO Technical Cooperation Programme (TCP) project aims at strengthening local institutional capacity to manage pastoral risk in the Central Asian grasslands.

Exit strategies. A coherent strategy for phasing out external support should be developed at the beginning of implementation. Examples of exit strategies adopted in the *Lempira Sur project in Honduras* are:

- Communities are being assisted to organize themselves, define their development priorities and negotiate these through the local government structure (municipality). They are taught that projects are transitory and all organizational structures must respond to their perceived needs and not to the priorities of the project.
- Project messages were integrated in school curricula so that they would continue to be taught after the project ended.
- Local extensionists are supported to invest in their own farms so that they can make a living from them after the project.
- To ensure service provision after the end of the project, a multiservice cooperative has been created for former project employees and the leadership has been trained to bid and execute contracts.
- No one is paid to adopt technologies; if adoption is not based on perceived direct benefits, then it is not sustainable.
- The same applies to grassroots leaders: lead farmers are not paid; their incentive has to come from pride in the productivity of their farms.
- The project is designed to be seen by the communities as another offer. They are not part of the project; they negotiate with the project, as they should do with any other external source of assistance.
- The project management is assisting in the design of a national strategy that will enable organized communities to access poverty funds from the multilaterals (IFAD/IDB/WB, etc.).
- The project is working with various environmental funds to develop a complementary financial framework based on the provision of environmental services by the local hillside farmers.
- The most sustainable of all, but the most difficult, is the integration of farmers into the market economy through diversification, agro-industrialization, etc.

The poor in charge. Moving decision-making and finance closer to the poor is an important strategy. In this regard, decentralization, if properly implemented, is an enabling condition for creating effective linkages among public-sector institutions, communities and civil society. These linkages are essential for making livelihoods genuinely sustainable, and for properly institutionalizing the SL approach.

Legal status of grassroots organizations. Legal recognition of grassroots organizations can be vital to their sustainability. In 1996-1997, the *Bolivia project* helped small self-help groups amalgamate. The groups, previously fostered under the project, were transformed into full-fledged community organizations (*Organisationes Territoriales de Base*), which, under the new *Ley de Participation Popular*, could obtain legal status and become grassroots partners in local development. This legal recognition allowed these organizations to:

- access municipal funds to finance small community infrastructures and establish a rotating credit scheme (which was used to finance individual income-generating activities as well as private investments for improving land husbandry practices);
- obtain official incorporation of their community action plan into the municipality development plan.

The role of stakeholders. Regular technical auditing and review, with the full involvement of project stakeholders at all levels, can facilitate transparency and accountability (Honduras case study group).

Other lessons learned: policy

Content and processes. Participants acknowledged the need to focus on the processes of policy-making/change rather than on the content of policy alone, in order to empower people to influence policy.

Scaling up. To influence the policy environment and make it supportive of sustainable livelihoods, the feedback mechanisms from the grassroots need to be scaled up to reach policy and decision-making levels of institutions and administrations.

Capacity-building. Policy-making that enhances SL approaches, implementation and monitoring relies on pluralistic governance structures and processes. Capacity-building for grassroots and civil-society organizations should be built in at all levels as an integral part of the SL approach. In this regard, as was pointed out in the Web/E-Conference, there is also a need to develop suitable capacity-building tools and training approaches that civil-society organizations and SL beneficiaries could use to strengthen their capacity to analyse policies.

Monitoring the impacts of policy. The impacts of policy need to be monitored in order that their effects on livelihood strategies be understood. In this regard, civil society and SL beneficiaries should also play a key role in monitoring policy impacts.

How do we redesign projects?

Forum participants emphasized that agencies did not need to wait for new projects or programmes in order to begin using SL approaches; there is much to be gained by applying SL principles to ongoing projects.

If SL approaches had been adopted at formulation, what difference would it have made?

There was broad consensus in the Bolivia, Ethiopia, Mali and Mongolia working groups that the projects would have benefited had SL approaches been adopted from the outset. In the Ethiopian case study, SL approaches might have led project planners to reconsider the project's basic assumption that land degradation was the main cause of food insecurity. The understanding gained might have resulted in a very different project.

In the case of the Mali project, holistic diagnosis would have drawn out the community's development priorities. This would have avoided inappropriate entry points, provided the project with a greater

Ethiopia case study group

Reviewing the Ethiopian project with an SL lens led participants to:

- question the project's basic assumption that land degradation was the main cause of food insecurity;
- consider re-diagnosis with external facilitation. This would have resulted in the process being owned by the different stakeholders: government, staff, project staff, development committees, partner agencies and community members.

Expected outputs of the re-diagnosis are:

- knowledge of the main causes of food insecurity for different livelihood typologies at different levels;
- greater understanding of the influence of policies, markets, tenure rights, population pressure, land degradation, etc. on food insecurity;
- greater understanding of the priorities/linkages between these causes;
- identification of more appropriate entry points and a better idea of sequencing;
- an appreciation of WFP's comparative advantage and that of partner institutions.

FIGURE:
ETHIOPIAcase study group plan of action

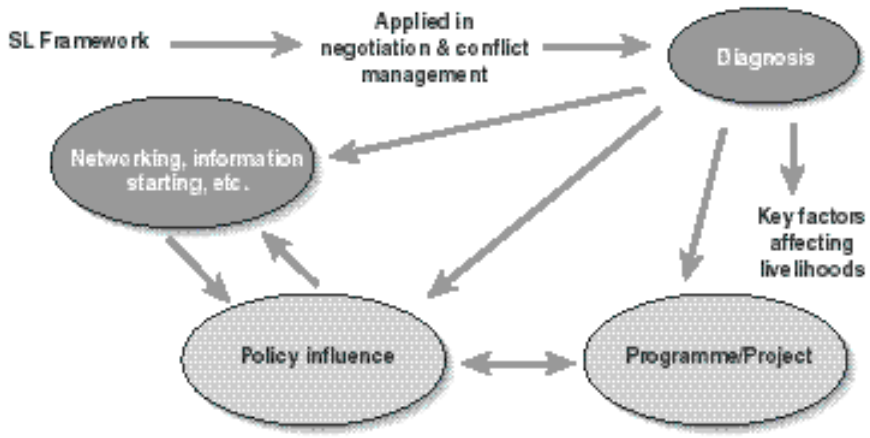


TABLE 4

Benefits and risks of SL diagnosis and design - Mali case study group

Benefits	Risks
• There is a better focus on beneficiary priorities	• Project becomes too complex and unmanageable
• Entry points and levels are more appropriate	• Quality drops if project tries to incorporate too much too soon
• There is increased flexibility in programme activities	• There are time lags and impatience for results
• Programmes are more poverty oriented	• Overdesign reduces flexibility
• Unrealistic expectations are raised	• Those who fear change react negatively
• Stakeholders are more accountable	• Lack of implementation capacity and follow-up
• Stakeholders have an increased sense of ownership	

The *Mongolia case study* group concluded that, although a conventional project design would have been quicker, cheaper, easier and more acceptable to the Government and funding agencies, its disadvantages would have outweighed its potential advantages. The SL design would have been slower, more costly and riskier, but it would have resulted in a more flexible and focused project of greater relevance to the livelihood systems of herders with poor or average incomes.

TABLE 5

A comparison of conventional and SL project designs - Mongolia case study group

Advantages of conventional designs	**Disadvantages of conventional designs**
• Quicker; cheaper; more predictable	• More rigid
• Easier for donors and governments to implement	• Less likely to be sustainable
• Less risk of failure	• Focus too early on sector
• Easier to gain approval and budget	• Interventions may be less appropriate
• More acceptable to recipient governments since they can be designed by conventional livestock experts	• Less encouraging of partnerships • Supply-driven • Less informed decision-making • Less chance of reaching the poor • Do not address livelihood shock survival • Less easy to establish micro-macro links • Identify needs – not opportunities • Good development practice not necessarily institutionalized • Do not link types of capital • Do not induce capacity-building
Advantages of SL approaches	**Disadvantages of SL approaches**
• Produce process projects able to respond to needs of the poor	• Slower
• Possibly more sustainable	• More expensive
• Longer project life possible	• Less predictable
• Institutionalize risk management	• Less easy for donors and governments
• Interventions are community led	• May be at greater risk of failure
• Encourage partnerships	• Not so easy to get approved or to budget
• Demand-driven and negotiated	• May be less acceptable to recipient government
• Involve more informed decision-making	
• Greater chance of reaching the poor	
• Cater for shock survival measures	
• Easier to introduce macro-micro links	
• Identify opportunities	
• Institutionalize good development practice	
• Link different types of capital	
• Require capacity-building	

If SL approaches had been adopted at implementation, what would have changed?

The *Mali case study* group concluded that a redesign along SL principles would have redirected the aim of the project towards reducing the vulnerability of farmers to drought-induced crop failure. Greater awareness of the socio-economic make-up of the community would have increased the chances of reaching women and the poor. The feedback that farmers would have been able to give to management would have accelerated the joint learning and adaptation process. Had the need for an exit strategy been considered from the start, planners would have given higher priority to building sustainable village organizations that could have functioned independently once the project had ended.

GREY AREAS

Participants agreed that there were still many areas that needed further clarification. These included:

- SL approaches may help us to understand the poor, but do they help us reach them?
- What are the most effective entry points for SL approaches?
- What is the best way to achieve policy changes?
- If the SL framework helps us widen the range of possible project interventions, does it give adequate guidance on how to prioritize them?
- What indicators can we use to assess the impact of SL approaches?
- What are the perceived omissions or inadequacies of the DFID SL framework?

There was substantial agreement on what the unre-

poverty focus and encouraged greater ownership of the project among the community. However, broadening the scope of the project would also have increased the risk of implementing agencies finding themselves unable to cope with such a complex project.

TABLE 6
Can SL approaches add value to design? – Mali case study group

Opportunities for redesign	Obstacles for redesign
• Participatory methods enable the project to obtain people's input • A monitoring-and-evaluation system informs management and planning, which in turn focus more on capacities, behaviour and institutions • Analysis of gender relations and intrahousehold dynamics overcomes neglect of women and youth • The vulnerability context – particularly risk – can be assessed and addressed • Participatory technology development can increase options • Other economic activities – non-farm, agroforestry, migration, processing, storage, marketing – can be included • Higher-level policies and organizations can be addressed • Appraisals of soil-fertility management and land tenure issues can be conducted • Procurement mechanisms can be modified to improve timeliness and involve people in decision-making • People's responses and adjustments to (many) shocks can be evaluated in order to better understand adaptive and coping strategies • Feedback mechanisms can be introduced (e.g. workshops) designed to improve responsiveness of project management to people's preferences and changing circumstances • Small management unit with more organizational partnerships and the flexibility to contract outsiders • Most management functions can be devolved to village associations and groups, and co-management increased	• Limited capacity of managers and service providers – would require substantial training at start-up • Personal and institutional inflexibility – programme manager, credit agency, public administrators • History of debt-forgiving and handouts creating a dependent/passive recipient culture and poor loan repayment discipline • Other donors with different – sometimes destructive – approaches operating in same area, e.g.offering "gifts" or other incentives • Overcoming dominant role of village leaders and élite • Inflexible procurement procedures • Weak use of information – capacity and will to use • People and institutional commitments already made and obligation to follow through • SL does not yet have a track record of success and *simple* guidelines to promote the idea • Fatigue of farmers and managers with redesign and development paradigm shifts among donors • Difficulty of overcoming managers and support staff's bias in favour of their own sector-specific interests

solved issues were, but no consensus on how to address them. Participants thought that more discussion, informed by feedback from applying SL approaches to project or programme implementation, would throw light on these areas.

SL approaches and poverty

Do SLapproaches always imply a focus on the poorest? There was little consensus on this issue. Agencies committed to poverty alleviation are interested in SL approaches because they are seen as a way of contributing directly to meeting internationally agreed upon development targets[6]. Other participants felt that the sectoral mandates of certain agencies would restrict their ability to reach the poorest[7].

SL approaches may help us to understand the poor, but do they help us reach them? Five of the case studies seem to indicate that there is a fundamental issue regarding targeting any project interventions to the poorest. They point out that the projects have been successful with the "middle poor" and upwards.

The consensus of Forum participants was that it was still too soon to answer this question. The only SL-type projects analysed were DELIVERI, Honduras, and Malawi. The remainder shared only some SL elements. However, the groups felt that none of them succeeded in reaching the poorest sectors of the communities with which they worked.

Although the projects reached people who were poor by international standards, in the local context these people could have been characterized as the "middle poor" or "borderline non-poor" (Bangladesh, Bolivia, Mali and Mongolia). The Honduras project promoted technologies suitable to different socio-economic strata, including those that were of interest to and were adopted by poor tenant farmers, yet it is not clear that it reached the poorest.

SLAPPROACHES AND THE POOR

Although the Mongolia project was intended as a poverty alleviation project, its main activity – credit for reconstituting herds – failed to reach the worst-off, 50 percent of the rural poor. This was due to its concern that credit be repaid. The group felt that an SL approach would have improved the project's poverty orientation.

Although the Mali project assisted dryland farmers in one of the world's poorest countries, it largely bypassed the poorest households within the project area. The case study group concluded that adoption of SL approaches would have highlighted socio-economic differences within the project area, thereby offering the project the opportunity to target the poorest.

[6] DFID and other agencies hope and expect that adopting SL approaches will contribute directly to the international development target of reducing by half the number of people living in absolute poverty by 2015, thereby providing a means of focusing on the root causes of poverty.

[7] Depending on the local context, the poorest include the bottom two to three quintiles of the population, but *not* permanently disabled and very old people (for whom safety nets are more appropriate).

As illustrated by the Pakistan mini-case, the existing pattern of incentives for line agency staff may not reward them for focusing on the poorest.

INSTITUTIONAL DISINCENTIVES FOR WORKING WITH THE POOR – PAKISTAN

Working with the poorest is not glamorous. The poorest are the least willing to change because they can least afford to take risks, and because they live in a state of basic survival and have the least time available for discussion or planning. Although women staff of this project made a concerted effort to work with the poorest villages, they found that they had to spend twice as much time in those villages and made less "progress" than they did in wealthier villages. Since staff performance was evaluated on positive results, and such results were easier to achieve among the non-poor, incentives were biased against working with the poor.

There can often be trade-offs between sustainable natural resource management and reaching the poor.

> "It is important to bear in mind that natural resource management interventions that have public benefits do not always have direct benefits for the poor. If the poor are not involved in project activities, then consideration must be given to add components that address their livelihood needs. These needs may be addressed by other partner organizations and not directly by the project."
>
> - Tim Frankenberger, CARE

When projects take land or natural resource-based activities as their starting point, the implication is that they will work mainly with households owning or managing that resource. In spite of diagnostic studies and PRAs, the two participatory upland watershed management projects in *Bolivia* and *Pakistan* bypassed the landless poor because their strategies were land-based. Because the *Bangladesh INTERFISH* project was based on integrating fish and rice farming, it could not reach the functionally landless. According to its project document, the primary beneficiaries of the DFID/FAO 25-country *West Africa artisanal fisheries project* are to be: "the resource users in artisanal fishing communities, particularly the poorer groups, including small-scale traders and processors (mostly women) and consumers. Through a 'process approach' these beneficiaries will be helped ... to identify, implement and evaluate development activities that correspond to their own needs and aspirations". It will be important to monitor whether the project manages to reach the poorest households, whose members do not own boats but eke out a living by shore fishing, fish processing, crop farming, working as casual labourers or working on other people's fishing boats.

What are the best entry points for SL approaches?

There was consensus that SL projects or programmes should be either single-sector or multisectoral. A range of options that can be applied, depending on where the project is in the programme cycle, is more important. Ongoing projects can incorporate SL perspectives during critical moments of the project cycle, such as during mid-term reviews or evaluations. This would help to clarify whether other factors, beyond the sector-specific constraints already being addressed by the project, could help or hinder it in achieving its objectives. The main grey areas for entry points are:

Who selects the entry point (government, donors or poor people)? Ideally, the intended beneficiaries - rather than the government or donors - should select the entry point. This will require a change from the current practice, whereby governments and donors select the entry points before beneficiaries can be consulted. Currently, agencies are not entirely free to empower communities to generate their own project ideas and are expected to respond to government requests. Before any beneficiary consultation can begin, the project must feature in the government's public expenditure programme. If a project enters the pipeline as a livestock project - as occurred in Mongolia - it may be difficult to change the institutional entry point from the livestock department, even if the project title is changed.

What is the best level of entry point for SL approaches? Some of the DFID participants at the Forum stated that you could start at any level, but it was more cost effective to work at the highest level possible. The higher the level, the higher the leverage to reorient policies, institutions and processes in order to make them more responsive, client-oriented and people-centred. However, that view is not supported by the experience of the *Malawi project*. This project focused its efforts at the top, attempting to mainstream SL approach concepts in all relevant national development plans and programmes (household food security, employment and

sustainable NRM), but found it difficult to bring about concrete livelihood improvements at the village level.

SL approaches and policy

Do SL approaches always need a policy dimension, and if so, what is the best way of bringing about policy change? The consensus among participants of both the Forum and the Web/E-Conference was, yes, SL approaches *always* need to consider the interaction between livelihood systems at the micro level and the policy environment in which they operate. Understanding these relationships is critical both at initial diagnosis and during project implementation. However, SL type projects need not have an explicit policy objective.

There is also emerging consensus that using SL approaches upstream may add value, if they are appropriately linked to micro-level ground-truthing.

The *DELIVERI project in Indonesia* is an example of an institutional reform project whose strategy was to use information gained from piloting new approaches at the village level to press for policy changes at the provincial level and above. Conversely, DFID's approach to the *Uganda Agricultural Advisory Services Project* may illustrate the danger of donors embarking on a high-level policy dialogue aimed at institutional change without adequate ground-truthing at the level of livelihood systems diagnosis.

Participants acknowledged that although all agencies needed to be aware of linkages between livelihood issues and macro policies, not all agencies had a comparative advantage for policy dialogue at the national level. Agencies with a comparative advantage at the community or district level could also make a valuable contribution in their own right. They could also increase their influence on policy by establishing partnerships with other agencies that had a tradition of policy dialogue.

An important debate centred on the ethics of attempting to effect changes in policy. Although some DFID participants emphasized that it was more cost-effective to go directly to the top (to the Minister or even to the President) to influence policy, other participants at the Forum and Web/E-Conference emphasized the need to change the policy-making process to make it more bottom-up and demand-driven. They cautioned that policy changes imposed from the top down were unlikely to be lasting because they depended too much for their implementation on continuity at the top and were likely to be reversed when the Minister or head of government changed.

Policy is not exclusively owned by governments but is the outcome of a pluralistic consultation and negotiation process. Policy changes that are driven from below – that have a strong grassroots power base and are supported by civil society – are likely to be more lasting.

As the Forum discussions and Web/E-Conference contributions highlighted, there is clearly a need for further discussion on which institutions to target, and at which level – local, meso or macro – in order to establish SL-enhancing policies.

What indicators can be used for impact assessment?

There was consensus that new types of outcome indicators are needed to assess the impact of SL approaches. Standard output-type indicators fail to capture the most important changes, such as project-assisted increases in the problem-solving capacity of beneficiaries. In particular, more work needs to be done on capacity-building indicators. Currently, we have few examples of indicators for measuring institutional improvements[8].

BANGLADESH – FROM OUTPUT INDICATORS TO FARMER-DEFINED OUTCOME INDICATORS

Because of its initial concern with output rather than outcome indicators, the Bangladesh INTERFISH project's M&E system tended to underestimate project impact. Important impacts such as the empowerment of community members to identify their own needs, access outside resources and make informed decisions, were not captured by the original M&E system. For example, farmer field schools not only trained farmers in fish/rice integrated pest management (IPM) but also offered them the opportunity to gain experience in problem-solving, critical thinking and general field ecology.

The introduction of a participatory M&E system fundamentally transformed the project management's relationship with participants. For the first time, participants were asked to define how the project should measure success and as a result the project began to think beyond the completion of its activities towards the quality of the activities and the longer-term outcomes. At the end of each rice season, farmers assess whether the learning process has helped them achieve the goal that they themselves have set.

[8] Tim Frankenberger, CARE

There was less agreement among Forum participants on how to address the problem of relevant indicators. What is the best way to capture a project's impact on human and social capital development? How holistic should impact evaluations be? How can one avoid collecting too much unnecessary data? By involving the intended beneficiaries in selecting impact indicators relevant to their own priorities, the Bangladesh project was able to limit the range of outcome indicators monitored. But if donors are to compare project impact across villages, they cannot rely exclusively on the location-specific criteria suggested by beneficiaries. They will also need a minimum set of standardized criteria.

> "The indicators that are used for monitoring and evaluation must be clearly linked to the problem analysis and the objectives. The project should not collect unnecessary data that are not clearly linked to the objective or the problem analysis. Programme information systems should be set up to capture both the intended and unintended consequences of program activities. These lessons learned can be derived from participatory monitoring systems and other aspects of the M&E system. Capturing the lessons learned will be critical to programme improvements. One of the key problems that implementing agencies have is allocating time and resources to document the lessons learned.
>
> "To measure the impact of a livelihood programme, it is important to measure both criteria relevant to communities as well as normative criteria. Criteria derived from participatory approaches are the changes that are meaningful to communities. If these changes do not occur then the project has not brought about the kinds of improvements that are significant to the community. These measures may be very location-specific. Normative measures are important for targeting and allowing for cross-regional comparisons. Such measures are critical for donors and governments that need to make resource-allocation decisions across regions or across countries. Thus, both types of information need to be included in SLA M&E systems."
>
> - Tim Frankenberger, CARE

Revision of the DFID SL framework

Several different versions of the SL framework have been developed. All are intended as tools to help people investigate livelihood strategies and understand them better. The frameworks were never intended as blueprints for analysis. Developers of the frameworks emphasize that no framework can contain every factor that affects livelihoods, and that the frameworks should be adapted and developed as practical experience is gained in working with SL approaches.

Nonetheless, Forum participants made several important observations about the framework and perceived inadequacies of its present form, which they felt could benefit from further development.

Making people visible. While the first principle of SL approaches is that they are "people-centred", people are not "visible" in the current framework. The fact that they are central to SL approaches could be made more explicit.

Levels of analysis of assets. The level at which livelihood assets are to be analysed is not immediately clear. It is important to distinguish between individually owned assets, such as land and livestock, and community assets, such as forests, grazing land, wells, roads and schools. Some means of distinguishing among these different levels needs to be introduced into the framework.

Socio-economic differentiation. It was also felt that the framework did not highlight differences between socio-economic strata within communities in their resource base, livelihood strategies and living standards. Members of poor households tend to be more vulnerable to external shocks than those of non-poor households because they own fewer assets. Policies, institutions and processes at the national level can result in highly skewed asset ownership. The poor usually have fewer livelihood options than the non-poor.

Incorporating historical and dynamic elements. Participants also felt that the SLframework was rather static. It was not immediately clear how dynamic elements, such as historical changes that did not necessarily contribute to vulnerability, might be incorporated into the analysis. It would be useful to emphasize the livelihood trajectories (ascending or declining) of different socio-economic categories of the population.

The framework needs to be sufficiently flexible to identify social networks that bind different livelihood systems together (Forum and Web/E-Conference). In many rural societies, socio-economic

strata are bound together in interdependent livelihood systems, primarily where richer households with capital turn to poorer households for labour. Thus, livelihood analysis requires an understanding of how people depend on cross-strata social networks for asset-sharing, renting and co-ownership (e.g. of land, livestock, and fodder). Patron-client relations and reciprocal agreements for sharing labour or capital are important coping strategies for poor people in times of illness or other stresses and emergencies. Moreover, they lend legitimacy to the "rich" in positions of local authority. Horizontal social networks are also pivotal for addressing critical capital shortages among the poor, particularly through traditional labour-sharing and other reciprocal arrangements.

SLAPPROACHES AND EXISTING SOCIAL NETWORKS

When DFID proposes a partnership analysis, it focuses on other international organizations, whereas it is equally important to analyse the partnerships that exist between stakeholders at the local level. Although SL approaches incorporate "everything", they tend to overlook the existing social networks that link households at the village level and connect them with the outside world. Any proposal on natural resources and poverty corresponds not only to the household but also to a network of interrelated actors, such as local authorities, small enterprises, community organizations, NGOs and the private sector. These networks are social structures that exist independently of projects. Projects that identify these existing social networks and build on them are more likely to be sustainable than those that attempt to create their own dynamics and organizations. However, since poor people may not necessarily have an equal voice in these local networks, there is a need for local capacity-building to empower the poor to build up their influence in the local context. – Web/E-Conference.

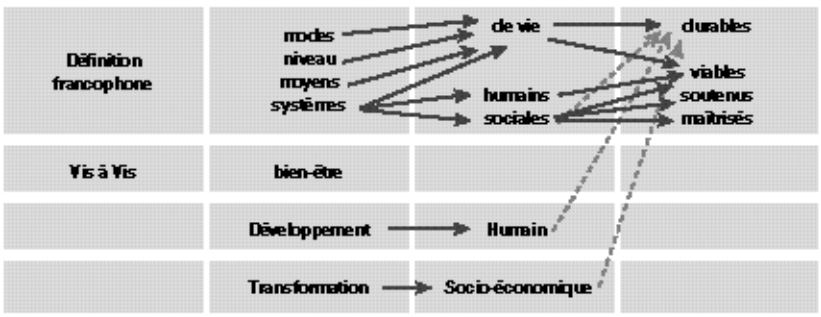
Cultural dimensions. The SLframework is based largely on experience from English-speaking countries. French- and Spanish-speaking practitioners experience some difficulty in working with terms such as *livelihoods*, which cannot be translated easily into one word in their languages. At the same time, there is a significant body of experience in Spanish- and French-speaking countries that deal with the same issues but, perhaps, have conceptualized them in different ways. A way of incorporating this experience into the framework and generating more culturally appropriate forms of the framework needs to be developed. Although *sustainable livelihoods* can be translated into Spanish as *sistemas de vida y desarrollo sostenible*, there seems to be no adequate French equivalent. In fact, none of the possible French translations below captures the concept fully.

Incorporating the political dimension. Most participants felt that, while the framework helped practitioners focus on policies, institutions and processes, the political dimension of these structures and processes needed to be made more explicit. Experience from the case studies suggests that projects or programmes attempting to address livelihoods in a holistic way will need to engage in the political sphere in order to have positive and sustainable impacts. Political elements that need to be reflected include:

- democratization;
- transparency and governance;
- the impacts of structural adjustment;
- the impacts of globalization.

These all have clear political dimensions and potential impacts on livelihood strategies. Modifications to the framework should make it easier for people to incorporate these dimensions into their overall analysis. The impact of macro-level processes on livelihood trajectories needs more emphasis. In its SL framework,

FIGURE:
Translating sustainable livelihoods concepts into French



UNDP uses a hexagon rather than a pentagon, with the additional segment representing political capital.

Means of analysing policy, institutions and processes. The focus on policy, institutions and processes was seen as a valuable element of the SL framework, but practical methods that might be used to analyse this area were felt to be lacking and needing development.

The SL framework helps to suggest possible project actions but does not provide adequate guidance on how to prioritize among them.

SL FRAMEWORK AND PRIORITIZATION OF INTERVENTIONS

"The SL framework shows the inter-linkages and helps us to understand the complex context, i.e. by broadening the way we can look at a situation ... but it doesn't help to prioritize or to come up with valid interventions. The biggest grey area is on the question of methods to use in the post-design phase. More work needs to be done to provide guidance on the process of getting from A to B. The SL framework increases the list of things to do but doesn't provide guidance on which one or how to tackle them."

Zambia case study group

"The SL framework is an aid to good decision-making, and clearly does not negate the need for sound judgement. The holistic nature of SL approaches draws us to examine and prioritise options, but leaves us with no better tool for balancing the two imperatives of priority and feasibility than good judgement".

Bangladesh case study

The measurement of assets within the framework does not allow for comparison between livelihood systems or for quantification against targets.

The SL framework is not easy to explain. DFID and CARE report that although governments, technicians and project staff readily grasp the SLguiding principles, it is much more difficult to communicate the SL framework to such an audience. CARE has addressed the problem by using participatory workshops for staff training. Each workshop starts from the SLguiding principles, and participants are encouraged to derive their own framework on the basis of the principles. DFID has found that beginning with the detailed framework, it is not easy to get messages across, but building up to the framework by drawing on examples allows it to be well understood.

IMPLICATIONS FOR DONOR AGENCIES

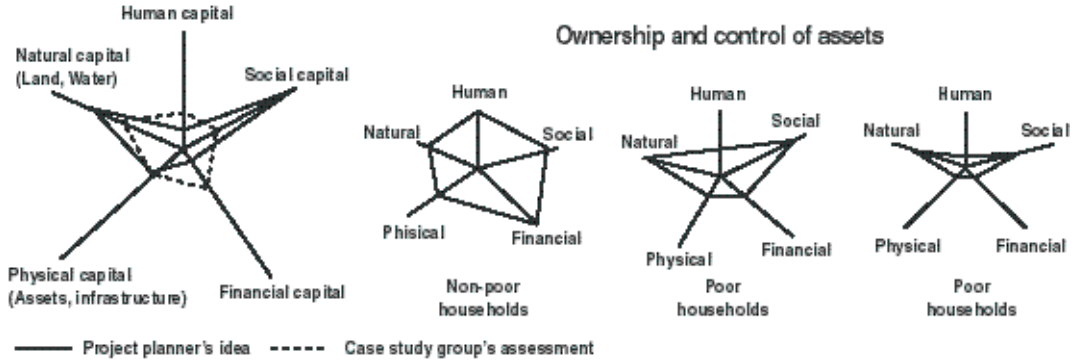
Increased programme flexibility

The consensus of the agency-based discussion groups was that their unnecessarily rigid requirements for gaining project approval presented major barriers to creating programmes that were flexible and demand-driven – i.e. characteristic of programmes adopting a sustainable livelihoods approach. Although agencies have begun to address these issues, further changes are needed.

IFAD. IFAD emphasized the need for better diagnosis, more flexible project designs, better continuity

ASSET PENTAGON ISSUES – MALI CASE STUDY GROUP

The SL asset pentagon has five dimensions: natural, physical, financial, human and social capital. In attempting to apply the pentagon, the Mali case study group discovered that the perception of project planners differed from that of the case study group and that three pentagons were needed – one for each socio-economic stratum. Moreover, it was difficult to combine several dimensions of one type of capital on the same axis. Regional and community physical infrastructure did not fit easily on the same axis with household assets. How do we rate natural capital on a single axis when land is abundant but of poor quality? How do we rate human capital when health and literacy are low but labour supply is abundant? When we rate social capital as high, medium or low, what is to be our yardstick of comparison (regions within the country, the world)?



RIGIDITYVERSUS FLEXIBILITY
ZAMBIA CASE STUDY

There are many constraints on incorporating a flexible process approach into a project proposal, including the discrepancy between (1) the need to predetermine and quantify project outputs and objectives, and (2) the budgetary and planning flexibility needed to allow communities to plan and implement their own actions based on their assessment and prioritization. On the one hand, donors and implementing agencies require that project proposals provide a common reference point for project implementation, monitoring and evaluation. On the other hand, participatory projects must be sufficiently flexible to respond to community needs when they arise.

between diagnosis, design and implementation and well-focused supervision of projects.

IFAD participants believed that employing SL concepts and approaches could add value to IFAD projects by reinforcing the importance of concepts already understood at IFAD but not always put into practice. Areas where improvements are possible include refining operational approaches to effective poverty alleviation, household food security, grassroots capacity-building and participatory development. In addition, the value of placing these in a holistic framework was recognized.

IFAD recognized opportunities to promote SL approaches in improving flexible and participatory elements of project design and implementation. These included IFAD's strong commitment to building strategic partnerships with like-minded organizations; its ongoing emphasis on adopting the dynamic logical framework approach and, in particular, more fully integrating it into design and planning; and direct supervision of 15 projects, which provides opportunities for participatory process monitoring.

IFAD delegates also recognized the great potential for future partnerships with the other agencies represented at the Forum. These included: tapping DFID expertise in project design and monitoring; working with FAO on improving diagnostic and monitoring processes and continued collaboration on FIVIMS; benefiting from WFP's experience in vulnerability analysis and targeting; targeting with UNDP one or more countries to introduce SL approaches into the CCA/UNDAF process; and accessing CARE International's multilingual field and training experience for IFAD project staff and country-based pilot projects.

DFID. For DFID, the main challenge is to integrate SL approaches in those parts of the agency that are not concerned with natural resource management. SL approaches have been slow to penetrate fields such as economic policy, infrastructure, health and social development, which have adopted sector-wide approaches. The main capacity constraint is a shortage of practitioners with appropriate skills to implement SL approaches.

WFP. WFP has already introduced some SL concepts into its work, namely people-centred approaches, poverty focus, vulnerability analysis, gender analysis, asset creation (broadly defined to include human capital) and partnerships. However, certain aspects of SL approaches need more work, such as:

- M&E (reviewing systems to use assets as the common unit of accountability and feedback);
- ways of incorporating feedback into project management;
- activity selection (selecting activities by target groups rather than governments or donors and intersectoral work arising from livelihood systems diagnosis rather than existing institutional links);
- training.

Internalization of SL approaches

The final work of the Forum was to formulate strategies for internalizing SL principles and approaches within the work of each of the agencies.

UNDP institutionalization strategy

1. Perform self-critical diagnosis based on external evaluation.
2. Develop UNDP synthesis of UNDP SL achievements and potential (glossy) publication.
3. Sensitize administrator through moral persuasion.
4. Organize high-level technical workshop on SLA, co-hosted by Rockefeller and UNDP in collaboration with DFID and FAO.
5. Have PM/Ns brief UNDP divisional directors on outcome of this workshop.
6. Redefine UNDP/HQ SL team.
7. Produce series of papers on policy/institutional dimensions of SLAin collaboration with DFID.
8. Become member of or help establish effective SLA policy networks - multilaterals, bilaterals, academic.

WFP and SL approaches. The priority concerns are:

- Incorporate lessons from pilot activities in activity design and management.
- Develop minimum information sets based on livelihood elements.
- Advocate policy change through UNDAF.
- Adapt key livelihood elements to recovery and rehabilitation (IDPs).

In the application of livelihood elements to FAAD (Food Aid and Development) policy implementation, WFP will:

- build livelihood elements into FAAD Task Force work plan, emphasizing capacity-building;
- build livelihood elements into its Vulnerability and Analysis Mapping (VAM) work plan;
- mobilize additional resources for WFP/counterparts' capacity-building;
- ensure that its gender analysis tools and methods are SLA compatible;
- networking/share with partners its SLAlessons and experiences.

FAO internalization strategy. The FAO Strategic Framework (2000-2015) approved by the 1999 FAO Conference includes sustainable livelihoods as one of its goals, therefore, it is mandatory.

- SL principles (rather than a particular framework) should be more widely and systematically incorporated into FAO's normative and field programme.
- There are different stakeholders with different needs within FAO.

How can FAO internalize the guiding principles?

1. Include initiatives in the Medium Term Plan (MTP) currently being developed (for 2002-2007) and move quickly to consolidate potential interdepartmental initiatives.
2. Work toward strategy for impact at multiple levels:
   - Continue to develop strategy to engage senior management.
   - Strengthen linkages between headquarters and the regional and country level. (Pull in regional and subregional officers, multidisciplinary teams, using SL approaches as a means of working together - facilitate dialogue, share experiences and capacity-building; involvement in pilot sites; exchange of information).
   - Develop country strategies that include FAO, United Nations agencies, donors, NGOs, CBOs government and Rome agency collaboration (FAO, IFAD, WFP).
   - Use DFID, UNDP and CARE experiences and frameworks. (Don't reinvent the wheel.)
3. Build on FAO's existing initiatives:
   - Make IWG-PA a driving force for internalization.
   - Create inter-agency committees (e.g. FIVIMS).
   - Use UNDAF.
   - ACC network on Rural Development and Food Security.
4. Improve communications and learning opportunities:
   - E-mail network with interested officers and partners.
   - Incorporate principles in websites, briefings and seminars.
   - Training in developing partnerships.
5. Develop partnerships both within and outside FAO:
   - Potential initiative: joint pilot projects - country-level, multi-partner for the implementation of sustainable livelihood principles (action research).

Annex 12

Minutes of the follow-up meeting held on 11 March 2000 at the SLA Forum

PRESENT

Bailey, John, WFP
Baker, Doyle, FAO
Clark, Jane, DFID
Crowley, Eve, IFAD
Dey-Abbas, Jennie, FAO
Di Biase, Dominique FAO
Hines, Deborah, WFP
Hobley, Mary, DFID
Holden, Sarah, DFID
Huddleston, Barbara, FAO
Kelly, Tom, UK Permanent Representation to FAO
Matlon, Peter, UNDP
Rouse, John, FAO
Singh, Naresh, UNDP
Spearman, Dianne, WFP
Van de Sand, Klemens, IFAD
Warner, Katherine, FAO

CONSENSUS FOR EARLY ACTION

1. There was a strong consensus that the Forum had generated a better understanding of the underlying guiding principles of sustainable livelihoods approaches (SLAs), and the SL framework helped identify a number of gaps that could most effectively be tackled through collaborative partnerships among the participating agencies. There was a sense of urgency to proceed rapidly with the follow-up to build on the considerable momentum generated during the Forum.

PREVIOUS COMMITMENTS FOR FOLLOW-UP

2. Several follow-up activities have already been initiated and will be completed by the end of April:
   2.1 Michael Pickstock and Sarah Reynolds of WRENmedia participated in the Forum to collect materials to produce a variety of communication packages, which will include a briefing paper for senior managers, a briefing paper for development practitioners on the process and main issues/findings of the Forum, an audio tape aimed specifically at senior managers and material for incorporation in websites of cooperating agencies.
   2.2 Mary Hobley mediated a session at the Forum on internalization issues and, drawing on the Forum discussion and the agency presentations on this topic, will draft a paper for senior managers on key issues and concerns relating to the adoption/internalization of SL approaches and guiding principles in agencies.
   2.3 A short publication on the main issues addressed in the Forum (and the Web/E-Conference) and gaps for future work will be prepared by Vanda Altarelli and Alice Carloni.
   2.4 The workshop proceedings, which will include summaries of all the various working group reports, will be prepared by Rathin Roy.
   2.5 FAO will organize a meeting of all FAO Rome-based Forum participants on Thursday, 16 March to discuss follow-up, particularly in the context of the ongoing preparation for FAO's Medium Term Plan 2000-2007.
   2.6 A meeting of the broader Informal Working Group on Participatory Approaches and Methods to Support Sustainable Livelihoods and Food Security (IWG-PA) will be held in early April to inform FAO, IFAD and WFP members of the outcome of the Forum and to generate further ideas and support for follow-up. DFID expressed an interest in attending this meeting.
   2.7 Michael Scott and Jane Clark, DFID, are planning to visit Rome in late March to discuss follow-up with the Rome-based agencies.

NEW COMMITMENTS FOR FOLLOW-UP

3. Although recognizing that those present could not commit their agencies to specific actions without further internal consultation and reflection, consensus was reached on the desirability for collaborative action in the areas mentioned below. It was noted that these were initial proposals that would require further elaboration.

Building awareness of and support for SL principles and approaches at senior management level

4. It was agreed that there was a need to promote cross-agency awareness-building and reinforcement of support for SL principles and approaches at different levels, particularly at senior levels (especially through dialogue in meetings, and through letters and presentations).

Action: FAO agreed that in April it would send the draft WRENmedia briefing paper for senior managers and a draft covering letter to the agency focal points for the Forum follow-up for comments/clearance, before dispatch to senior staff in these agencies.

4.1 There was a proposal to organize a high-level meeting on SL for senior managers, to take place in New York in October immediately before or after the CGIAR International Centres Week in Washington, DC, from 23-27 October 2000. This timing was suggested because several key managers, including some from UNDP, DFID and FAO, would be in the United States at that time.

Action: UNDP and DFID will take the lead in pursuing the idea of such a meeting with the other agencies.

Developing a more flexible programming framework and process to facilitate the formulation, implementation and monitoring of SLA-type programmes and projects.

5. It was agreed that there was a need to sensitize agency staff responsible for drawing up the procedures governing the project cycle in order to introduce greater flexibility in the design, budgeting and monitoring process. This would *inter alia* focus on adapting traditional log-frame analysis to SL projects/programmes and using monitoring techniques for mid-term corrections/reorientations in project implementation. It was generally considered that the problem required urgent attention and that it could be addressed best through an inter-agency workshop with the objective of generating concrete proposals for changes in procedures.

Developing an inter-agency pilot project/programme to introduce SL approaches at a country level

6. There was wide agreement to undertake, as soon as possible, some visible joint efforts to demonstrate effective ways of introducing SL approaches in a more integrated manner within countries. Ideally, this would be done by developing a joint project/programme, using the new programming framework suggested under item 5. However, in order to keep momentum, another practical approach would be to begin immediately to explore what might be done through a collaborative effort to introduce SLA into existing or planned programmes and projects of the five agencies that had participated in the Forum, in one or a few countries that would be interested in receiving such support.

6.1 There was some discussion on the criteria for selecting countries (for example, whether to choose one or more countries for which the Forum had discussed major case study projects or countries that were in the process of evolving new rural development approaches that could be enriched by using SL principles and approaches or countries where there were a number of other United Nations and bilateral agencies and CSOs/NGOs that might be interested in participating in such an exercise). It would be essential that all five cooperating agencies be active in the country, or have the possibility to work in it, and that the country itself and the agency country representatives be receptive to such an initiative. It was recognized that such an idea would require further discussion among the agencies, and in the short term it might be more practical to move ahead with country projects/programmes or related initiatives already under way, particularly in appraisal and monitoring and evaluation work, and with projects such as FAO/DFID's West Africa Fisheries Programme.

6.2 Participants agreed to provide agency focal points with lists of their priority countries and project choices for further consultation and action. A list of countries of common interest to UNDP and DFID will be provided as a starting point.

Action: UNDP agreed to prepare a concept note on this issue and distribute it to agency focal points for comment by 31 March 2000.

Establishing an ad hoc inter-agency task force to develop culturally appropriate ways of applying SL concepts and approaches in various languages

7. All the participants recognized the importance of adapting SL concepts, principles and approaches in

French- and Spanish-speaking countries (and eventually in other countries/areas too) that used concepts and approaches that were based on similar principles and tools similar to SL. The concern that SL was a concept anchored in an English cultural context was voiced by a number of Forum participants who had met on this issue and made an excellent presentation on their preliminary findings at the closing session of the Forum. DFID is already working on this issue in connection with its ongoing work in transliterating its SL guidelines into French and Spanish. It was agreed that both CARE and FAO probably had a comparative advantage in taking this work further, starting with French, Spanish and Portuguese contexts.

Action: FAO agreed to discuss this issue with its Forum participants and also at the meeting of the IWG-PA in early April to identify interest among IWG-PA members in undertaking such a task (primarily using staff resources) within the framework of an ad hoc task group of the IWG-PA.

Including other partners in the planned IWG-PA activity on multistakeholder analysis of participatory methods and programmes for enhancing livelihoods

8. It was noted that FAO was planning to initiate, within the IWG-PA, a programme to develop a conceptual framework and a methodology for undertaking multistakeholder analysis, to test this methodology in a number of projects in countries representing different agro-ecological and socio-economic conditions, and to develop indicators for monitoring and assessing the costs and benefits of participation. It was proposed that this stakeholder analysis could focus on the contribution of participatory methods and programmes to improvements in people's livelihoods, providing insights into what changes in programmes and methods would most significantly affect livelihood outcomes.

8.1 DFID expressed interest in impact monitoring in general.

Action: FAO will develop a set of proposals for further work on appraisal and evaluation of the use of participatory approaches for SL, and consult with the other agencies on their interest and opportunities for joint collaboration in this area.

Developing a joint agency training programme for professionals involved in SL

9. It was agreed that this would be explored further. DFID shared an interest in thinking more about joint training opportunities.

Action: UNDP agreed to take the lead and contact focal points regarding possibilities of collaboration.

Developing a common roster of consultants with experience in SLA

10. It was agreed that the sharing of existing agency rosters was problematic largely because of the difficulty of ensuring quality control. It was agreed that for the time being, the best way would be to continue to share information on an informal basis, but that the issue of a common roster (particularly for consultants with experience training trainers) could be revisited.

Assignment of contact focal points in each participating agency for Forum follow-up

Contact focal points for each participating agency were identified:

- **DFID:** Jane Clark, with information copy to Michael Scott
- **FAO:** Jennie Dey-Abbas, with Robin Marsh and Stephan Baas as alternates
- **IFAD:** Eve Crowley
- **UNDP:** Naresh Singh, with information copy to Peter Matlon
- **WFP:** Jamie Wickens and Deborah Hines

Annex 13

Evaluation of the SLA Forum

QUESTIONNAIRE

Dear Participant,
I hope you had a pleasant journey home after the hectic and exciting times we had in Siena last week. You must also have had an opportunity to reflect on the SLA Forum, its process and content and whether it benefited you and met your expectations. To help all of us – those who worked on designing and organizing the Forum and those who plan to organize similar ventures in the future – to improve and do a better job, may I request you to take a few minutes and answer the questions below. Please send your response to the people this letter has been copied to.
Thank you, and I look forward to hearing from you.

Rathin Roy
Forum Facilitator

1. In what ways did the Forum benefit you?

2. What were the strengths and weaknesses of the SLA Forum's design, organization and implementation?

3. Using the following scale as a guide, answer the questions below by marking your choice:

1	2	3	4	5
Inadequately	Fairly	Adequately well	Very well	Exceptionally well
Very poor	Poor	Good	Very good	Excellent

1. Did the Forum meet your expectations?

Inadequately ← → Exceptionally well

1	2	3	4	5

2. Forum venue

Poor ← → Excellent

1	2	3	4	5

3. Forum duration

Too short ← A little short | About right | Longish → Too long

1	2	3	4	5

4. Forum participants

Boring — Interesting — Exceptional

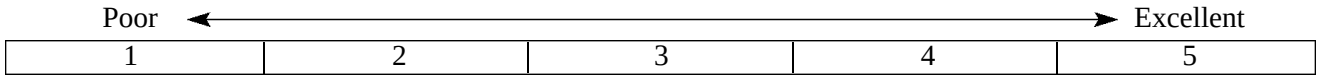
1	2	3	4	5

5. Background papers

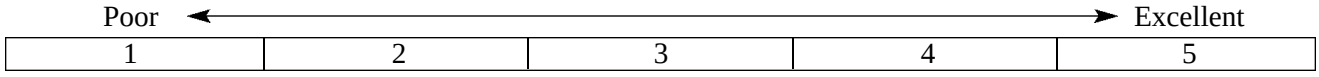
Poor ← → Excellent

1	2	3	4	5

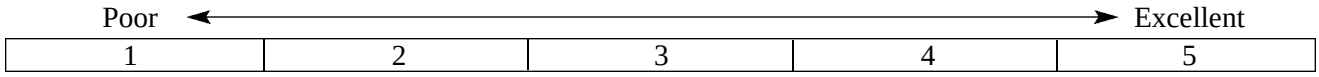
6. Web/E-Conference



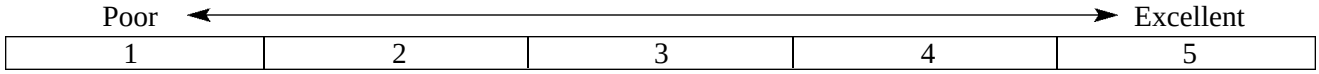
7. Case study reports



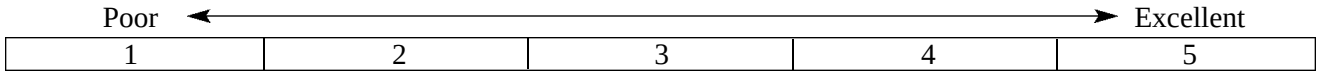
8. Mini-case study reports



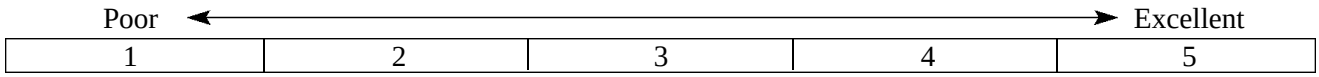
9. Opening plenary sessions



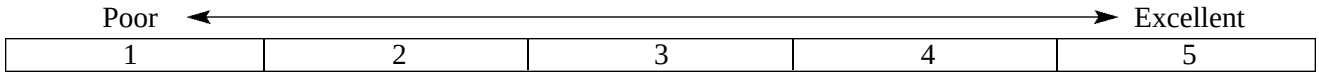
10. Case group work



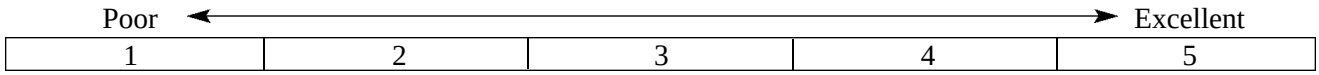
11. Case group reporting sessions



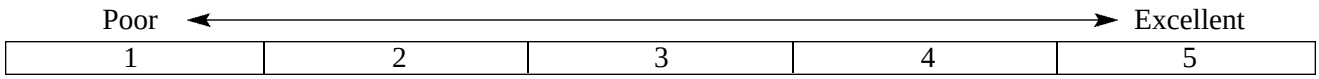
12. Issue group work



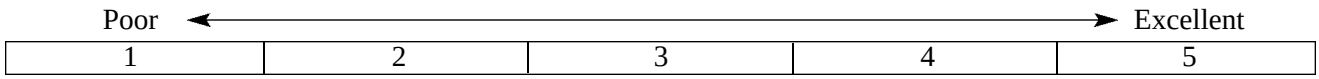
13. Issue group reporting sessions



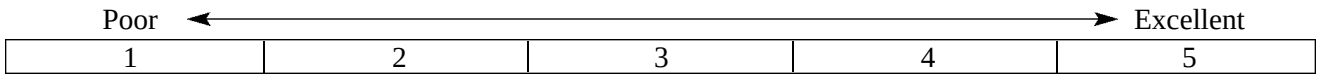
14. Mini-case study presentations



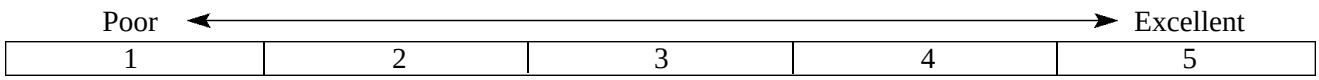
15. Evening policy issues session



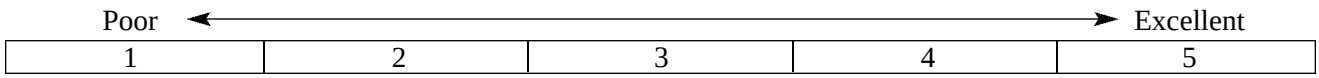
16. Internalization plenary session



17. Agency group sessions



18. Agency group reporting sessions



19. Interaction with participants outside sessions

Poor ← → Excellent

1	2	3	4	5

20. Overall level of participation

Poor ← → Excellent

1	2	3	4	5

21. Learning about SLA

Poor ← → Excellent

1	2	3	4	5

22. Level of scepticism about relevance of SLA before attending forum

High ← → Low

1	2	3	4	5

23. Impact of Forum on your view of SLA

Negative ← → Positive

1	2	3	4	5

24. Overall assessment of Forum

Poor ← → Excellent

1	2	3	4	5

4. Do you feel that there should be a follow-up to the Forum to address the thoughts and issues that came up in discussion? Could you suggest some concrete actions for consideration?

5. Any other comments?

Thank you for your time and thoughts.

Evaluation of questionnaires

Scale of replies					
All questions except 3, 4 and 23	1: Very poor/ inadequately	2: Poor/fairly well	3: Good/ adequately	4: Very good/ very well	5:Excellent/ exceptionally well
Question 3	1: Too short	2: A little short	3: About right	4:Longish	5: Too long
Question 4	1-2:Boring	3: Interesting	4-5:Exceptional		
Question 23	1-5:Negative-positive				

Question	**Rating of replies**				
	1	**2**	**3**	**4**	**5**
Q 1:Did the Forum meet your expectations?		1	4	13	7
Q 2: Forum venue			2	4	19
Q 3: Forum duration (see above)		7	13	5	
Q 4: Forum participants (see above)			5	15	5
Q 5:Background papers		2	7	12	3
Q 6: Web/E-Conference	2	5	13	1	
Q 7:Case study reports		1	9	11	4
Q 8:Mini-case study reports		2	13	6	1
Q 9:Opening plenary sessions		3	8	11	3
Q 10:Case group work		1	3	11	10
Q 11:Case group reporting sessions		2	8	12	4
Q 12:Issue group work	1	1	13	3	7
Q 13:Issue group reporting sessions		3	10	6	6
Q 14:Mini-case study presentations	1	3	13	8	
Q 15:Evening policy issues session		4	3	11	1
Q 16:Internalization plenary session		2	12	8	4
Q 17:Agency group sessions	1		7	8	7
Q 18:Agency group reporting sessions	1		8	12	4
Q 19: Interaction with participants outside sessions				12	12
Q 20:Overall level of participation			2	9	14
Q 21:Learning about SLA	1	1	4	12	7
Q 22:Level of scepticism about relevance of SLA before attending Forum		8	4	11	3
Q 23:Impact of Forum on your view of SLA		2	3	17	2
Q 24:Overall assessment of Forum (see above)			1	16	8