

LIVELIHOODS APPROACHES COMPARED

**A brief comparison of the livelihoods approaches of the UK
Department for International Development (DFID), CARE, Oxfam
and the United Nations Development Programme (UNDP)**

November 1999

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1. INTRODUCTION AND PURPOSE

The UK Department for International Development's (DFID's) 1999 Natural Resources Advisers' Conference discussed early experience with implementing sustainable livelihoods approaches to poverty elimination. Various agencies (CARE, Oxfam, UNDP) presented highlights of their own livelihoods work and drew out preliminary lessons about applying livelihoods approaches in practice. It was clear that the approaches of the different agencies have much in common, but that there is also some variation and difference in emphasis.

The aim of this brief review is to clarify understanding of the fundamental principles behind the livelihoods approaches of the different agencies. It is hoped that this will facilitate discussion and learning, as well as promoting in-country partnerships on livelihoods work. The fact that there is some variation in emphasis does not mean that different agencies cannot work together; similarities far outweigh differences overall. Nevertheless, it is useful to be aware of where differences occur so they can be accommodated. This should also help us learn about application of livelihoods approaches and the directions 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 of DFID, Oxfam, CARE and UNDP. It is hoped that this list of agencies can be expanded over time as there are several other organisations (donors, domestic government agencies and civil society organisations) that espouse some or all of the principles that underlie SL approaches (whether or not they use the SL language). It is also hoped that the review itself can be updated as the four agencies covered move forward and gain more operational experience with implementing livelihoods approaches.

The structure of the review is as follows:

- In section 2 we provide an outline of each agency's approach.
- In section 3 we comment briefly on the differences in approach between the agencies.
- Section 4 consists of two summary tables.

2. A BRIEF OUTLINE OF THE APPROACHES OF THE DIFFERENT AGENCIES

In this section we provide a very brief overview of the main features of the livelihoods approaches of the different agencies. The common thread that unites all the agencies is that they link their ideas back to the work of Chambers and Conway in the early 1990s and most adopt the Chambers and Conway definition of livelihoods (or some slight variant on this). 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.’

(Chambers, R. and G. Conway (1992) *Sustainable rural livelihoods: Practical concepts for the 21st century*. IDS Discussion Paper 296. Brighton: IDS. (pp.7-8))

2.1 CARE’s livelihoods approach

CARE’s organisational 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 across its relief and development work. CARE sees this framework as an effective way to improved inter-sectoral coordination and thus increase the impact of its work. The approach is deemed to be sufficiently comprehensive to address the challenge of large scale poverty, yet sufficiently flexible to address context-specific constraints.

Core emphasis and definitions

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

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

The interaction between 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 can thus both 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 in both rural and urban contexts. It identifies three, not mutually exclusive, categories of livelihood activity appropriate to different points in the relief-development spectrum. These are:

- **Livelihood promotion** (improving the resilience of households, for example through programmes which focus on: savings and credit, crop diversification and marketing, reproductive health, institutional development, personal empowerment or 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, for example programmes which focus on: early warning systems, cash or food for work, seeds and tools, health education, flood prevention)
- **Livelihood provisioning** (direct provision of food, water, shelter and other essential needs, most often in emergency situations)

These activity categories are non-exclusive. This means that a good livelihood promotion strategy would also have a 'protection' element, which deals with existing areas of vulnerability and helps to ensure that any improvements in livelihood security are protected from re-erosion. Likewise, the aim is that elements of 'protection' and 'promotion' are 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 very participatory way. Over time, capacity-building training is provided, so that the same structures can be used to plan and initiate livelihood promotion activities.

Cross-cutting with these categories of livelihood support activity are CARE's three focus areas of activity:

- **Personal empowerment:** interventions focussed on expanding human capacity, and hence the overall resource (asset) and income base of the poor.
- **Social empowerment:** interventions such as education, community mobilisation, political advocacy.
- **Service delivery:** expanding access to basic services for the poor.

The transition from livelihood protection to promotion, as well as the cross-cutting focus areas noted above, are illustrated by the example in Box 1.

Relative to DFID, CARE places less emphasis in its framework and approach on structures and processes and macro-micro links. This is not to say that it ignores institutional/organisational factors but that as an NGO it is less involved in the micro-macro issues that are a key feature of agencies such as UNDP and DFID. In the organisational realm, CARE's work has been largely limited to local matters (e.g. community mobilisation). 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 legitimise and gain support for democratic, local structures. It is also increasingly involved with advocacy, helping higher level authorities to 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 politicised and projects must work closely with municipal and sometimes national governments from the outset.

Box 1 Transition from livelihood protection to promotion in a CARE project

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

Operationalising the approach

CARE makes use of various graphics to assist with 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 as well as the importance of learning so that the household livelihood security focus ensures better overall programme quality.

A phased approach is adopted which includes the following steps:

- identify potential geographic areas using secondary data to find where poverty is concentrated;
- identify vulnerable groups and the livelihoods constraints that 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 that will be monitored; and
- select the set of communities for programme interventions. (These should be similar to other communities to maximise the multiplier effects.)

CARE has developed some specific tools for the livelihoods approach (e.g. a livelihood monitoring survey, participatory learning and action needs assessment and personal empowerment training), 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 multi-dimensional view of livelihoods that helps to identify the most vulnerable households and place people's own priorities and aspiration 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.

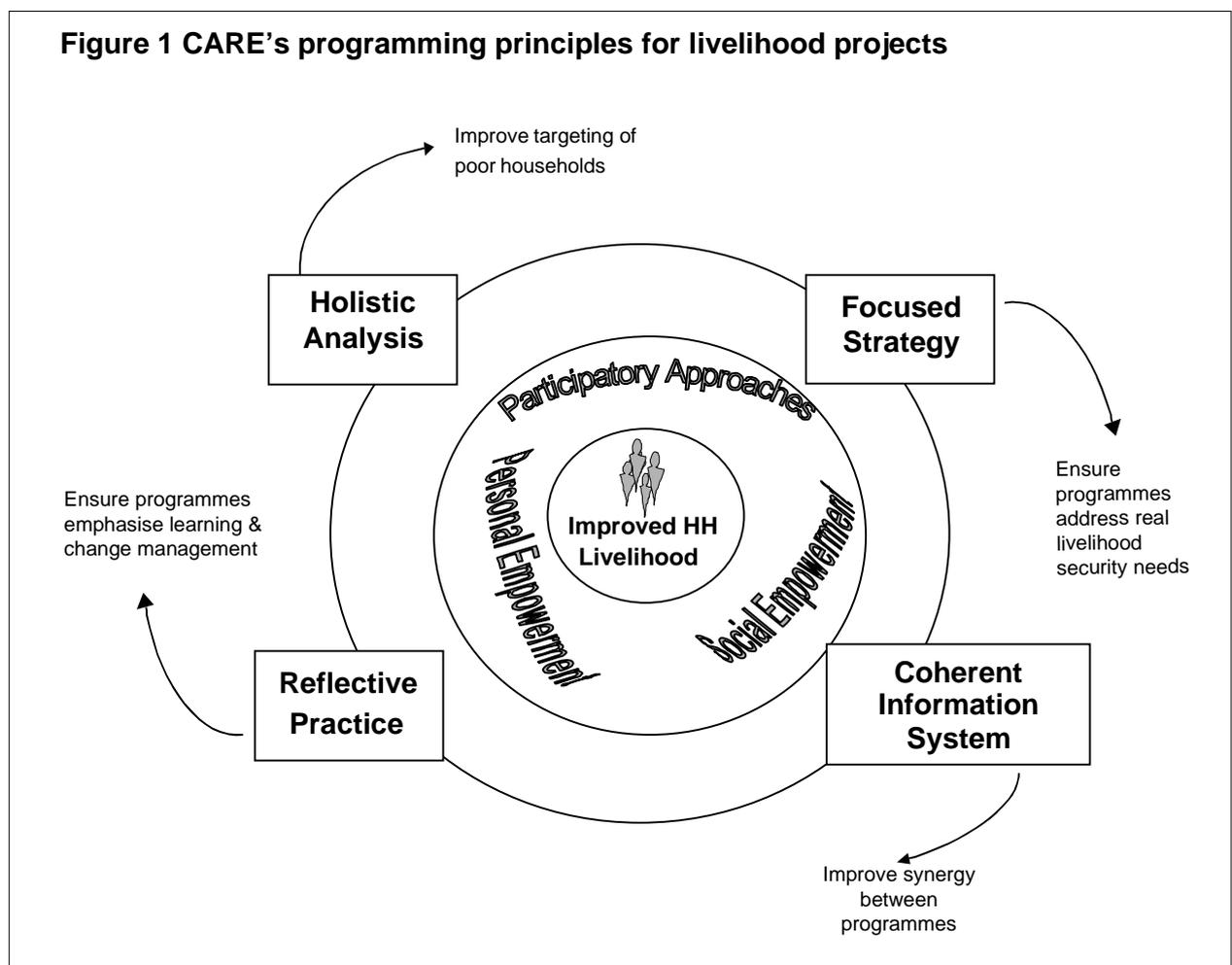
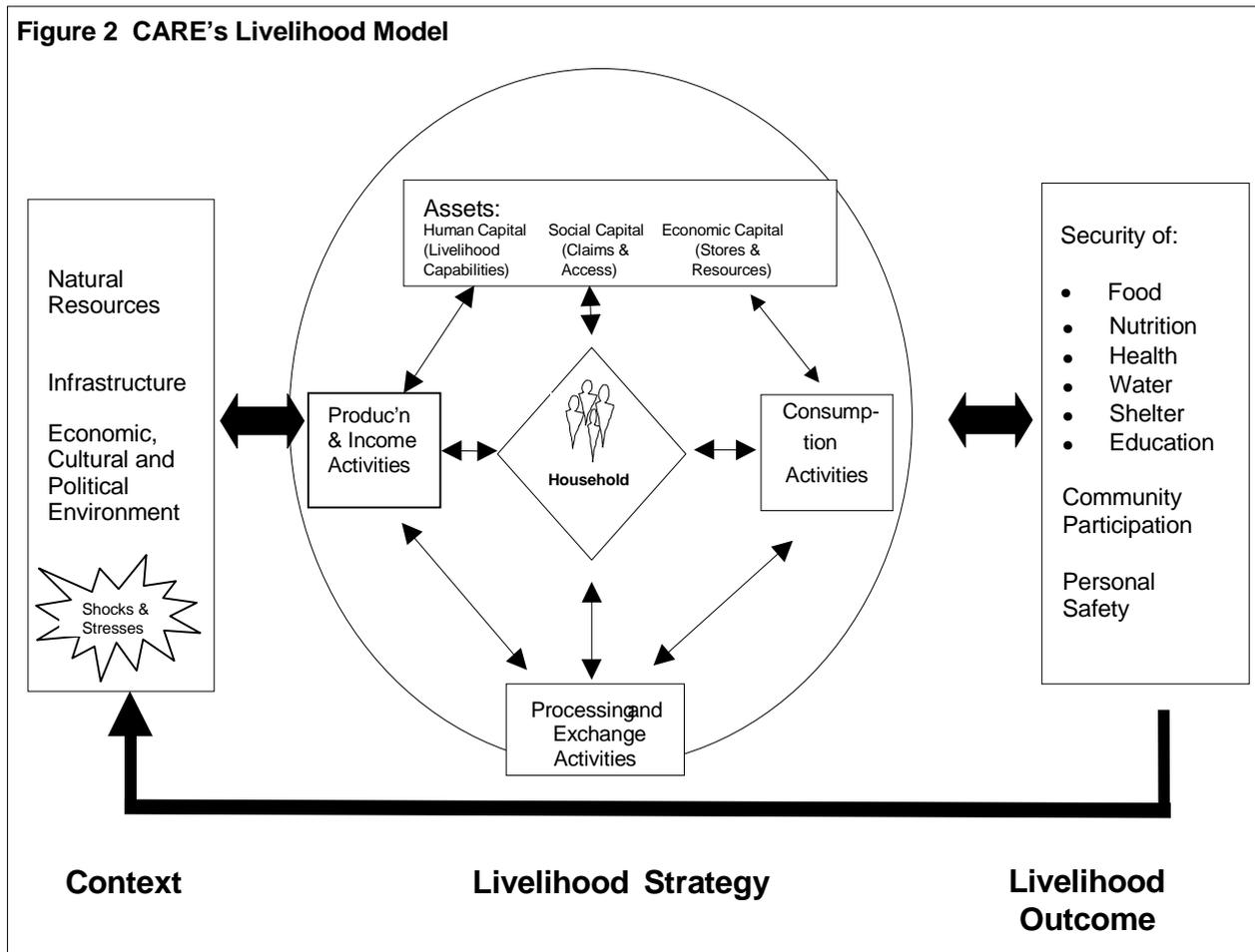


Figure 2 CARE's Livelihood Model



Lessons learned so far

CARE has learnt various lessons over the period that it has been working with the livelihoods approach. These include:

- Collect as much secondary data as possible and use this in an iterative process involving stakeholders. This reduces the need to collect primary data (and thus the cost).
- Focus on skills development amongst existing staff (particularly around participatory approaches) before attempting to introduce new livelihood terms and frameworks.
- Ensure that introduction of a livelihoods approach is not viewed merely as 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 focuses on core programming principles.
- Allow any framework to be adapted as lessons are learned, so that multiple actors contribute to the framework evolution.
- Extend the approach by building on successes, using case study projects and encouraging those involved in them to promote wider organisational uptake.

Key publications

- 1) Drinkwater, M. and T. Rusinow (1999) *Application of CARE's livelihoods approach*. Paper presented at NRAC 1999. (Available at www.livelihoods.org)
- 2) Frankenberger, T. and Drinkwater, M. (1999) *Household livelihood security: A holistic approach for addressing poverty and vulnerability*. CARE.

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2.2 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 is the elimination of poverty in poorer countries. One of three specific objectives, designed to achieve this aim, is a commitment to 'policies and actions which promote sustainable livelihoods'. Sustainable Livelihoods is thus, for DFID, an approach to achieving poverty elimination, rather than a goal in its own right.

DFID has been gradually expanding upon and adopting sustainable livelihoods approaches over the past two years. The initial initiative came from the rural side of the organisation with efforts to extend to urban livelihoods and to mainstream the approach within the organisation as a whole gathering strength during 1999. Currently, DFID is in a process of extending discussion of SL ideas and assessing how they fit with other 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 co-ordinate its learning process as well as several teams tasked with investigation of particular difficult issues (such as monitoring and evaluation, understanding policies and institutions in the SL context, etc.).

Core emphasis and definitions

Like all the other agencies, DFID adopts a version of the Chambers and Conway definition of a livelihood: *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 modification to the definition reduces the strength of the sustainability requirement from the original (no requirement to produce net benefits for others). This was considered to be an unrealistic demand.

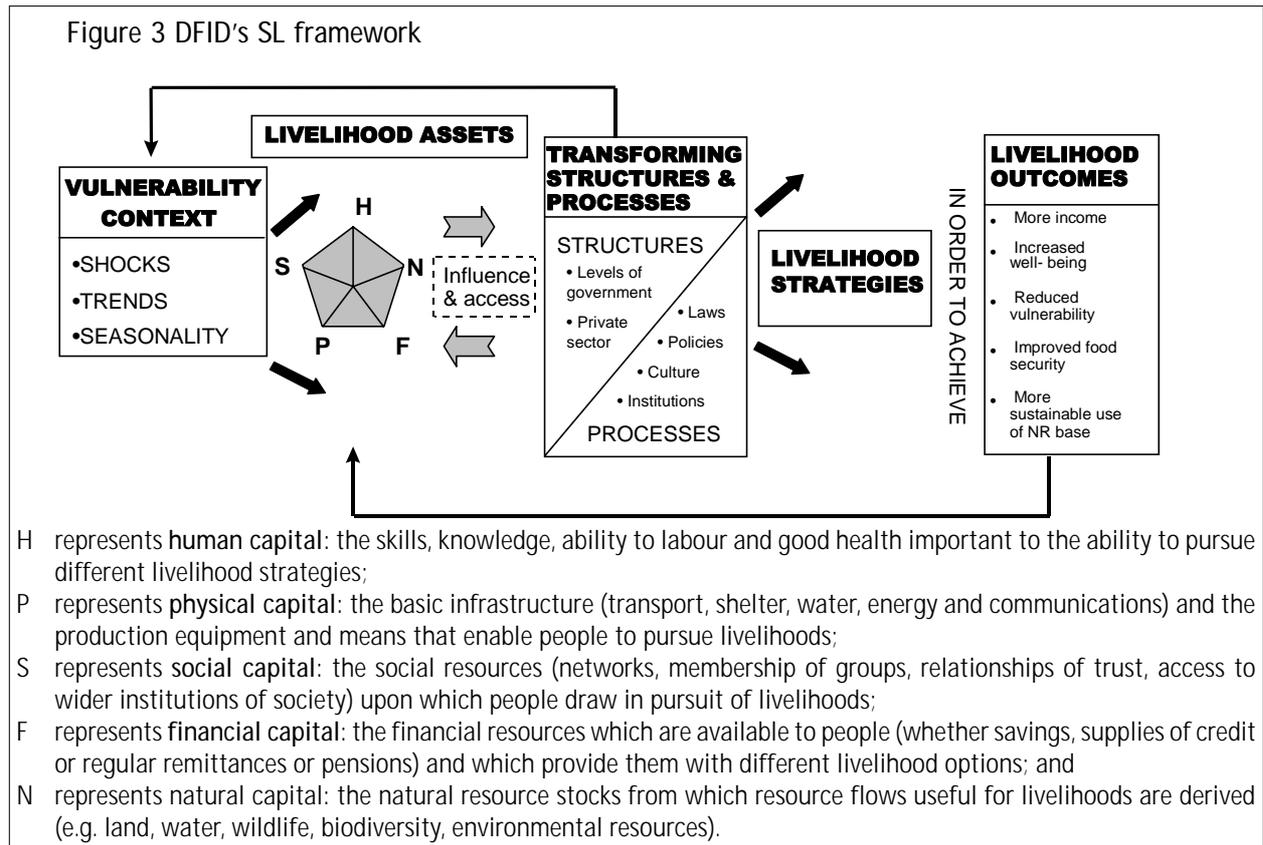
DFID stresses that there are many ways of applying livelihoods approaches (there is not one single approach) but that there are six underlying principles to all these approaches:

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 need processes that enable them to listen and respond to the poor.
- **Multi-level:** poverty elimination is an enormous challenge that will only be overcome by 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 support people to build upon their own strengths.
- **Conducted in partnership:** with both the public and the private sector.
- **Sustainable:** there are four key dimensions to sustainability – economic, institutional, social and environmental sustainability. All are important – a balance must be found between them.
- **Dynamic:** external support must recognise the dynamic nature of livelihood strategies, respond flexibly to changes in people's situation, and develop longer-term commitments.

It 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 impacts upon people's livelihoods, not only about immediate project outputs.



Types of activity

DFID is operationalising 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); and
- support to the more effective functioning of the structures and processes (policies, public and private sector organisations, markets, social relations, etc.) 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 organisational level DFID has identified three types of activity that can contribute to poverty elimination:

- Enabling actions are those which 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 participation of poor people.
- Focussed 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' clearly links to enabling actions. Support to the accumulation of different types of assets might be either inclusive (e.g. education programmes) or focussed (e.g. supporting micro finance organisations for poor women).

Operationalising the approach

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

There is no designated sequence for livelihoods analysis, nor has DFID yet developed particular tools for such analysis. The stress is on utilising and building on the best of existing tools for the circumstances in hand. There is, however a distinct DFID SL framework (Figure 3) that provides something of an organising structure for analysis. 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 groups are not neglected.

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 that it has established.

Lessons learned so far

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

- Methodological diversity is important to capture the many diverse elements of livelihoods.
- It is important to build on strengths and not necessary to abandon a sectoral anchor in using SL approaches (identify manageable entry points). It is not necessary to establish labelled SL projects or programmes.
- Do not be over-ambitious 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.
- Some important concepts (e.g. power relations, gender concerns) seem to be under-emphasised in the SL framework and are not made explicit in the underlying principles. It is important to use other tools to ensure that these 'missing ideas' are reflected in practice.
- Sustainability issues can easily be 'left out' in SL analysis. More work is required to ensure that the four aspects of sustainability DFID is pursuing remain prominent throughout.
- Some internal change is required in agencies that wish to implement SL approaches. This can be difficult to achieve, particularly in organisations that are structured in a narrowly sectoral way.

For further information on early lessons, please see:

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

Key publications

- 1) Ashley, C. and Carney, D. (1999) *Sustainable livelihoods: Lessons from early experience*. London: DFID. (Available at www.livelihoods.org)
- 2) Carney, D. (ed). (1998) *Sustainable rural livelihoods: What contribution can we make?* Papers presented at DFID's Natural Resources Advisers' Conference, July 1998. London: DFID.
- 3) *Sustainable Livelihoods Guidance Sheets* (Sections 1 and 2 of 8)
(Available at www.livelihoods.org)

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2.3 Oxfam GB's sustainable livelihoods approach

Oxfam GB 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 globalising 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 and Conway seemed to offer a positive approach that could integrate all these issues, without falling into the trap of simply 'adding the environment on' 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. However, it is important to note that Oxfam is a decentralised organisation with over 1,000 partners in more than 50 countries. The organisation 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 programme.

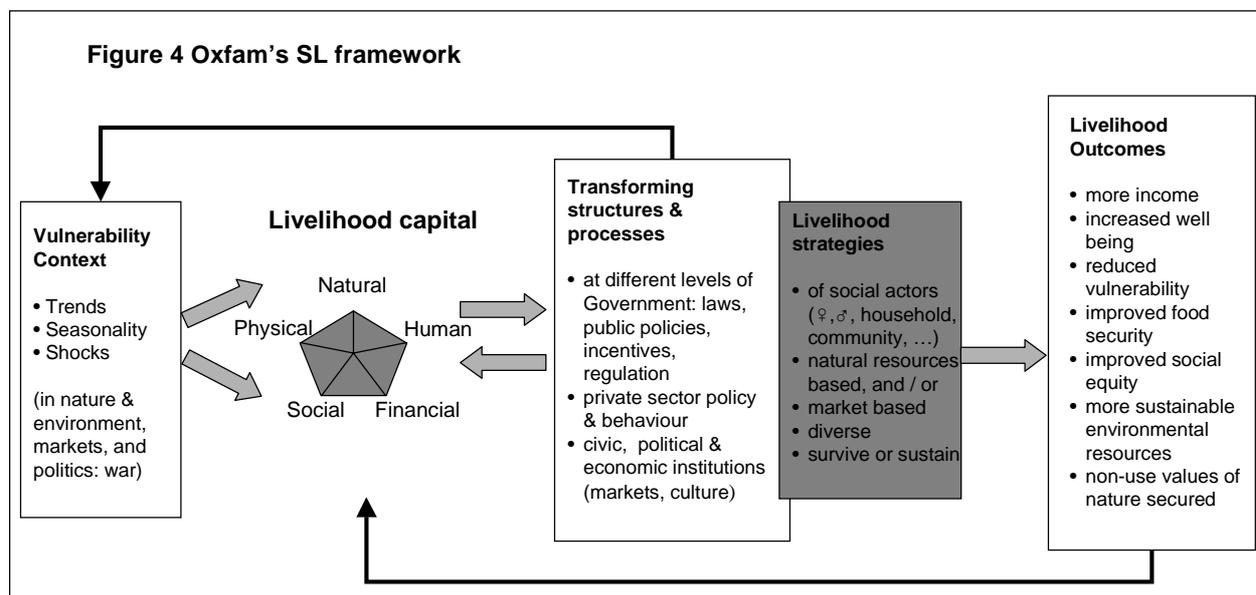
Core emphasis and definitions

Oxfam takes its definition of sustainable livelihoods from Chambers and 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).

(NB. 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 in humanitarian crises, are 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 (though it should be noted that DFID's outcomes are taken to be possible categories of things that people might want to achieve, there is no judgement that they *should* be achieved).



Oxfam's desired outcomes are that:

1. people living in poverty will achieve food and income security, and
2. people living in poverty will 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. Oxfam endeavours to address at least three of its corporate aims in any given programme, with 'saving lives' being a common thread in all its programmes and a way to link humanitarian support in crisis situations with longer term development.

Types of activity

Since 1993, Oxfam GB 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 to help deprived people gain better access to and more control over productive resources, strengthen their position in markets, and ensure 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.

Operationalising the approach

Oxfam has used elements Chambers and Conway's original sustainable livelihoods framework as something of a 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 reflects the co-operation 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 a mixture of what 'sustainable livelihoods' can mean (strongly based on Chambers and 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 operationalise the SL approach it is necessary to combine some conceptual analysis with a range of existing project management and analytical tools, including PRA. The workshop reports were communicated and distributed widely and influenced training and learning 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 a platform for learning about approaches to livelihood improvement and environmental management, under the name 'Exchanging Livelihoods' (1994 onwards). This is a cheap and non-glossy internal series that 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 is widely distributed to staff and partners, in three languages.

Lessons learned so far

Current learning from Oxfam includes:

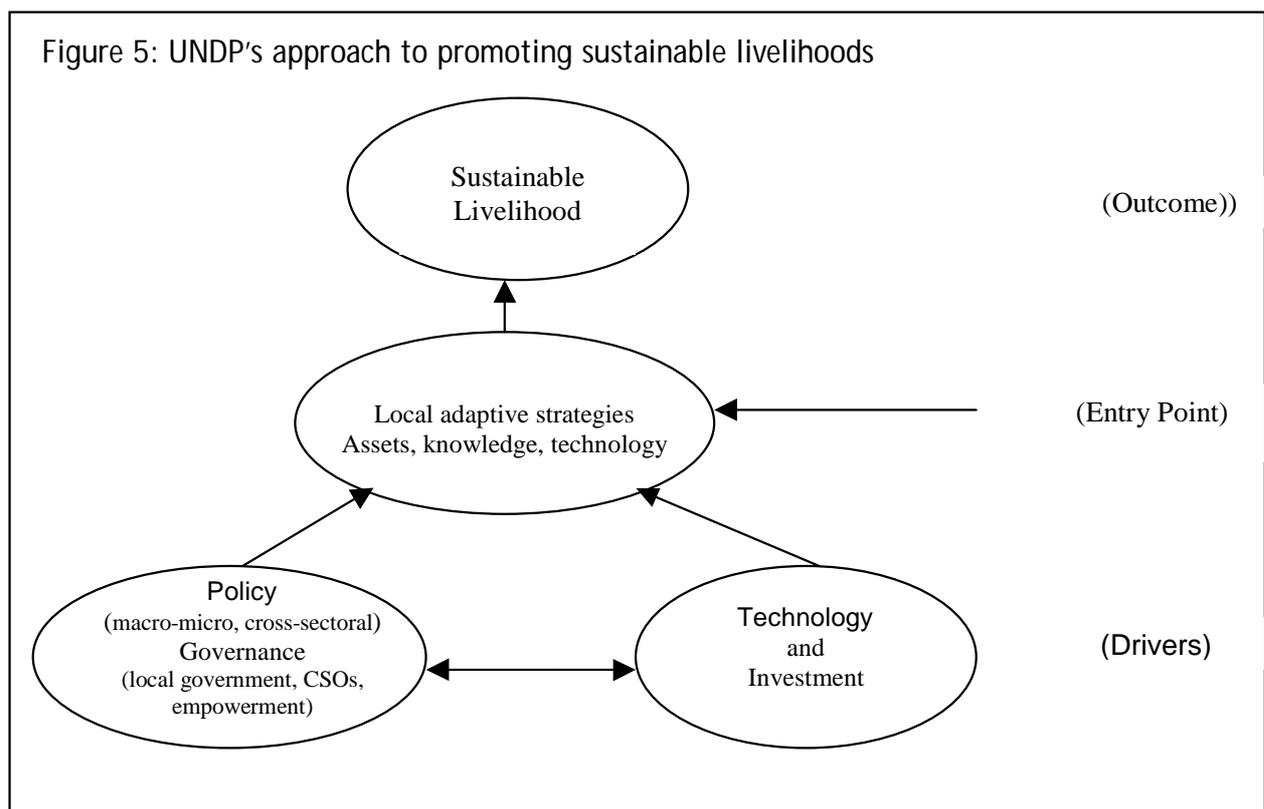
- Frameworks, such as the sustainable livelihoods framework, have remained too abstract for field level staff. However, the approach has been appreciated and used at higher levels in the Oxfam and is therefore strongly reflected in overall organisational strategies.
- The 'language' of the livelihoods framework and approach is compatible with many other languages (for example of deprived people, of local and international development organisations that stress a rights approach, and of environmental and conservation organisations). It is not always necessary to make the use of the SL framework explicit.
- Because the framework is so broad, 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 amongst field level staff.

Key publications

- 1) Eade, D. and Williams, S. (eds). (1995) *Oxfam handbook for development and relief*, Oxford: Oxfam.
- 2) 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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2.4 UNDP's sustainable livelihoods approach

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

Core emphasis and definitions

As one of UNDP's five corporate mandates, sustainable livelihoods offers both 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 utilise 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; and
- socially equitable, which suggests that promotion of livelihood opportunities for one group should not foreclose options for other groups, 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 use of different types of assets. Other key emphases of UNDP are:

- that the focus should be on strengths, as opposed to needs;
- that macro-micro links should be taken into consideration and actively supported; and
- that sustainability (as defined in the four bullet points above) is 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 livelihoods approach (see below) is to conduct a participatory assessment of technological options that could help improve the productivity of assets. (Where such assessment shows that indigenous technologies are very effective, UNDP's goal would be to ensure that these are adequately understood and promoted by government or non-governmental agencies that work with local people.)

Types of activity

UNDP has largely employed the SL approach within its agriculture and natural resources work (though urban work is gaining in importance). Its goal, within the overall SHD mandate, is to promote access to and sustainable use of the assets upon which men and women rely. In order to do this, and to understand how assets are utilised, it takes as its entry point the adaptive/coping strategies that people employ in their livelihoods. This represents a slight difference to 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 (its idea being that this will maximise

people's opportunities over the long term). Both agencies are seeking to define non-sectoral entry points: UNDP chooses adaptive strategies while DFID opts for assets and 'transforming structures and processes'.

UNDP most often works 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.

Operationalising the approach

UNDP tends to use its programming cycle as the initial entry point for promoting SL. It adopts a five stage approach when applying the SL approach:

- Participatory assessment of risks, assets, indigenous knowledge base, 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.
- Making sure the first four stages are integrated in real time, so that this process is 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, looking at:

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

In stage 2 (policy analysis – this would be akin to a sub-section of DFID's analysis of overall transforming structures and processes) UNDP uses a variety of approaches, including a 'narrative methodology' (whereby it collects as many viewpoints 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.

(NB. See Roe, E. M. (1998) *Policy analysis and formulation for SL*. Available on the UNDP website at: www.undp.org/sl/)

In its assessment of investment mechanisms (stage 4) UNDP moves on from the common response of simply offering credit to local people. Instead it attempts 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). But 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 mobilisation of national financial resources in favour of the poor, small-scale entrepreneurs, etc. The aim is to uncover people's overall investment priorities and ensure that these are addressed in a meaningful way that can make an impact upon livelihoods.

The fifth stage is not a discrete step but rather a reminder to ensure that the other stages are applied interactively, instead of sequentially. Information gathered in one area is and 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 forward progress.

UNDP uses a variety of participatory tools to conduct its analysis. The main adaptation it makes is to ensure that when these tools are used, there is a focus on strengths (i.e. existing assets), not on needs. Thus the participatory analysis aims to discover why people are doing well in certain areas or aspects, rather than coming up with a long list of things people lack. UNDP acknowledges that new tools must be developed/tested, especially for the area of linking micro concerns to national poverty action plans, etc.

Lessons learned so far

The following are lessons learnt by UNDP.

- Ownership of SL approaches 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 which are supported with iterative team-building exercises can be effective.
- When partners come from various ministries, departments and civil society organisations, as is often the case for UNDP, it can be difficult to ensure smooth collaboration and co-ordination in the multi-stage process outlined above. It is important to remain flexible in order to accommodate changes and differences. Sometime policy conflicts can be resolved by working with 'higher level' partners, though it may also be necessary to find 'lower level' partners for implementation purposes.
- It takes a long time (6 months to a year) to design SL programmes. This time is necessary if stakeholders are fully to understand the new concepts and take part in their application. Capacity-building for SL is a huge task, especially within government organisations. It will not be achieved through one-off workshops.
- It is not feasible to conduct linked micro-macro analysis of all policies (stage 2 of the multi-stage 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 intra-household issues more generally, were appearing to be somewhat neglected in UNDP's SL work. This was partly due to the focus on the household and partly due to a lack of skills amongst those implementing the analysis. UNDP is now addressing this problem and is in the process of finalising a note on gender analysis. (This will be made available on the web site).
- 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 is more likely to result from efforts to change the culture and composition of local government structures (to make them more participatory, ensure more women) than from promoting village action plans that may well be neglected.
- 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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3. DIFFERENCES BETWEEN THE AGENCIES: HOW MUCH DO THEY MATTER?

Given that all the agencies covered in this review are still relatively early on in their efforts to implement sustainable livelihoods approaches, it is probably too early to draw firm conclusions about differences. Section 2 has shown that the four agencies share much in common, notably the focus on assets and on micro-macro links as well as common roots in the work of Chambers and Conway. All also stress flexibility in application.

The more interesting question, that can be answered only over the longer term, is how the different agencies vary in their actual operationalisation of the approaches. It is likely that that variation will be both internal (i.e. different parts of a single organisation operating in somewhat different ways) and in comparison with each other. Amongst some there is scepticism that for all the new and good intentions, we are in danger of falling back towards familiar, needs-based income generation programmes (unless we remain highly vigilant and seek to learn as we go).

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 between the agencies. CARE, in particular, stresses household livelihood security. If this difference is carried through into practice, it could be significant (for example the relative emphasis placed on the environment would differ). However, it should also be noted that 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 as to 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 different mandates and scale of operation of the agencies covered in this review. 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 be to do with comparative advantage issues, rather than an actual difference in opinion as to what is important.
- UNDP is the only organisation 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 not to single out technology (it views it instead as on, key, means of contributing to human capital).

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

Table 1 Origins and usage of SL approaches

Agency	Origins of SL approach	When introduced	Change from what ...	Status of SL within the agency	Current uses	Types of activity	Strengths emphasised	Core ideas/ organising principles
CARE	CARE Long Range Strategic Plan as central programme thrust	1994	Primarily a sectoral focus	Primary organisation wide framework for programming	Relief through development Urban & rural	Livelihood protection Livelihood promotion Livelihood provisioning	Comprehensive yet flexible Improves sectoral co-ordination Increases multiplier effects	Household livelihood security People-centred
DFID	White Paper commitment to supporting policies and actions that promote SL Overall aim of poverty elimination	1998	Resource focused activity (within former natural resource division) Sectoral focus	Support from the top but still associated with rural side	Started rural, now more interest from urban side Various uses through development project cycle	Various to meet international development targets (including poverty elimination) Link to rights and sector approach	Builds upon existing experience and lessons Offers a practical way forward in a complex environment	People-centred Multi-level Partnership Various types of sustainability Dynamic Poverty focused
Oxfam	Need to link envt. change with poverty issues Strategic planning exercise looking for unifying concepts	1993	Primary environmental care	One approach for achieving poverty eradication One of five strategic change objectives	Across development emergency & advocacy Mostly rural Used for strategic planning purposes, seldom at field level	Strategic planning activities	Participatory analysis Enables links to social and human rights approaches	People-centred Multi-level Partnership Various types of sustainability Dynamic
UNDP	Part of the overall Sustainable Human Development agenda	1995	Partly a reaction against economic, employment focused initiatives	One of five corporate mandates An approach for achieving sustainable human development	Rural and urban Country programme planning Small and micro enterprise activity	A conceptual and programming framework	Links micro-macro Integrates poverty, environment and governance issues Gets the most out of communities and donors	Adaptive strategies Conditioning factors (shocks and stresses that affect asset use)

Agency	Starting point	Analysis procedures	Understanding of sustainability	Asset categories	Distinguishing features of agency's approach
CARE	<p>Possession of human capabilities Access to tangible & intangible assets Existence of economic activities</p> <p>Basic needs addressed: income/employment food security water supply basic education basic health and family planning community participation</p>	<p>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)</p>	<p>Partnerships, institution/ capacity building Environmental Social/gender equity</p> <p><i>Emphasis on secure rather than sustainable</i></p>	<p>Human Social Economic</p>	<p>Distinguishes between private natural assets and common property assets Stress on household level Personal and social empowerment emphasised</p>
DFID	<p>Access to assets Transforming structures and processes</p>	<p>Social/poverty analysis Livelihoods analysis (including institutional and economic analysis) Partnership analysis</p>	<p>Social Economic Environmental Institutional</p>	<p>Human Social Natural Physical Financial</p>	<p>Stress on underlying principles and a variety of 'SL approaches' Analysis of strengths Micro-macro links</p>
Oxfam	<p>Enhancing people's capabilities Working towards equity Working towards sustainability (4 aspects) Ensuring links between policy changes and livelihood improvement</p>	<p>Stress on impact monitoring and assessment Participation of various stakeholders with positive bias towards excluded groups</p>	<p>Social Economic Environmental Institutional</p>	<p>Human Social Natural Physical Financial</p>	<p>A relatively loosely applied idea across a decentralised organisation</p>
UNDP	<p>Programming strategy Analysis of strengths Analysis of assets and coping /adaptive strategies</p>	<p>Participatory assessment of risks, assets, indigenous knowledge and coping/adaptive strategies Assessment of micro, macro and sectoral policies Assessment of the potential contribution of modern science Assessment of existing investment opportunities Making sure the first four steps are integrated in real time.</p>	<p>The ability to cope with stresses and shocks Economic efficiency Ecological integrity Social equity</p>	<p>Human Social Natural Physical Economic</p> <p>Sometimes add political</p>	<p>Starts with a strengths (rather than needs) assessment Emphasis on technology Emphasis on micro-macro links Adaptive strategies as the entry point</p>