Livelihoods in fragile contexts

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Question

*Please identify literature, including risks, lessons and best practices, for delivering livelihoods assistance, with a focus on food security, at the community-level in fragile and extremely volatile environments, where government capacity is limited or non-existent.*

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1. Overview

There is a strong literature on both livelihoods in general and livelihoods in fragile contexts. However, there are few impact studies conducted on programmes in fragile environments, as evaluations tend to focus on outputs and numbers reached rather than outcomes. It is also difficult to measure the long-term outcomes of interventions in emergency contexts, as situations can change rapidly, beneficiaries may move on, and interventions are not always aimed at the long-term. Nevertheless, there is a large and diverse body of literature presenting conclusions and lessons from programmes and synthesising evidence from other contexts, and promising notice taken of the need for better impact measurement. The review below mainly draws on lessons learned in the field, rather than rigorous evidence of impact.

A key challenge identified in the literature is bridging the gap between emergency relief and longer-term resilience, in which food security plays a key role. Most food assistance interventions take the form of food distributions, which provide immediate relief, but far fewer explicitly make a connection with livelihoods assistance which could contribute to long-term food security. Seed distribution goes some way towards this, as do interventions which include access to markets and training. There is an increasing trend towards this kind of livelihoods assistance in emergency food programmes, which is a promising development for food security. Much of the literature focuses on this division between emergency/humanitarian programming and development programming, with most authors stressing the
need to programme holistically and include long-term aims (and associated indicators, capacity, etc.) in emergency programmes.

Outside of emergency food relief, livelihoods interventions which focus on food security range from livestock vaccinations, livestock restocking, microfinance, cash transfers, cash for work and re-training in urban livelihoods. These are all considered appropriate in fragile and volatile contexts, with the choice of which programme to use dependent on the specific context. Access to resources, markets, and social services constitute an important and growing area of livelihoods assistance¹, rather than asset provision. Most interventions occur at the household level².

It is widely accepted in the literature that best practice involves a combination of food aid (which always takes priority) and interventions with a long-term perspective, which increasingly utilise social protection mechanisms. A key lesson is that no single intervention is enough to improve livelihoods and food security, but that interventions must integrate emergency relief with policy change, power structures, medium-term assistance and access, among other contextual issues. Good quality needs assessments are imperative to achieve this. In the emergency context, it is also imperative to have knowledge of local power relations and the ability to adapt the programme to respond flexibly to changing power relations and security concerns, and to adapt to the specific context (rather than, for example, blanket food distributions). Monitoring and evaluation is still weak, and programmes would benefit from more impact evaluations.

This review takes a programmatic and practical approach, with a geographical focus on Somalia and the Horn of Africa. Pastoralism and remittances are two important sources of livelihoods in this area that are not mentioned much in the literature for this review. These strategies are difficult to support with development interventions, and the literature makes little mention of successes or failures in engaging with these areas.

2. General resources

**Growth and Livelihoods in Fragile and Conflict-Affected Situations**

Chapter 4 of this 120-page working paper describes the evidence base of what works in livelihoods interventions in fragile and conflict-affected states (FCAS). The evidence is slim, with most evaluations focused on outputs and process rather than impact. This review working paper synthesises the overarching lessons on impact and effectiveness. The authors use a livelihoods provision, protection or promotion categorisation system⁴.

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¹ Expert comments
² Expert comment
⁴ Developed by the SLRC: Livelihood provision (directly affecting outcomes through meeting basic needs and contributing to personal safety). Livelihood protection (protecting assets and preventing negative outcomes). Livelihood promotion (improving strategies, creating assets, enhancing access to markets and supporting appropriate institutions and policies).
Livelihoods in fragile contexts

**Provision:** this includes food aid, cash, basic needs. Food aid is often sold or used to feed labourers, stimulating local markets. Cash may be more appropriate as a form of investment, allowing people to rebuild infrastructure or invest in productive assets. Public Works Programmes do not necessarily contribute to longer-term job creation, but may improve skills and infrastructure. The evidence on their supposed impacts is mixed.

**Protection:** this includes seeds/fodder/restocking, cash, savings and loans. These interventions are often focused on rural agriculture, very often seeds and tools distributions or livestock interventions. Seeds and tools appear to be distributed based on force of habit rather than needs assessments, which may have negative impacts. Seed distribution must build on existing systems and norms, as data shows these interventions will fail otherwise. Access to land may be more important than seeds, but this is rarely addressed. Seed vouchers and fairs have more positive evidence on their impact in stimulating markets. Livestock interventions have little positive evidence.

**Promotion:** this includes training, access to services, microfinance (MF). These interventions can be socially and economically transformative. MF is popular and widely used, based on donor lessons learned and best practice notes, although there is little empirical evidence of impact. Three key findings are synthesised: 1) the minimum conditions needed for MF are the low intensity of conflict, reopening of markets and the existence of long-term displacement. 2) Microcredit programmes that fail to effectively enforce repayments can undermine future MF interventions. 3) Evidence of impact is mixed. Value chain development projects also have mixed evidence but practical experience suggests they can have a significant positive impact. Markets for the poor projects are relatively new for FCAS, and their positive impacts include income and employment increase and social cohesion, although this is again not well-evidenced. Job creation programmes have recently experienced a wave of enthusiasm, but most literature fails to account for political and social factors such as the distortion of labour markets due to war, instead relying on a blueprint approach. Projects should link to longer-term solutions and national priorities, use local inputs, and ensure fair access and working conditions. Training projects must be matched carefully to the local jobs market and targeted to the most vulnerable people, remaining informal and flexible to meet their needs.

**Strategic Evaluation of the Effectiveness of WFP Livelihood Recovery Interventions**

This evaluation examines the relevance, efficiency, effectiveness, impact and sustainability of World Food Programme’s (WFP) support to people’s recovery of livelihoods after disasters. Field based research was carried out for five case studies: Colombia, Lesotho, Uganda, Nepal and Bangladesh, complemented by desk analysis of Pakistan, Sudan, Sierra Leone and Ethiopia and a wider desk review. DFID’s ‘Sustainable Livelihoods’ approach formed the analytical framework for the evaluation.

WFP is largely consistent with best practice for food assistance, conducting needs assessments and linking relief with recovery. M&E needs to focus more on outcomes and impacts, particularly for recovery goals, than outputs, and there is a need for tighter analysis of why particular programmes are

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5 “the capabilities, assets (including both material and social resources) 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 (1999) Sustainable Livelihoods Guidance Sheets, Numbers 1–8, London: Department for International Development)
appropriate or not, for example whether cash is more effective than food. WFP tends to focus on simplistic relief through food distribution, with less emphasis on food security and recovery. Impact is thus mostly in terms of immediate alleviation, with less clear impacts on longer-term recovery, despite a policy commitment to livelihoods recovery. WFP is playing a key role in catalysing and coordinating other actors to better link with recovery. It may be unrealistic to assume food aid will no longer be needed as people become self-reliant; ongoing reliance on food assistance may be necessary. Linking relief with recovery is a key challenge.

**Evaluation and Review of DG ECHO Financed Livelihood Interventions in Humanitarian Crises**


This evaluation of the European Commission’s livelihood interventions in humanitarian crises includes the full range of livelihood activities funded by ECHO, with a special focus on food assistance, and interventions undertaken since the creation of the food aid budget line in 2007. The findings below draw out examples of good practice identified by the evaluation. The evaluation draws from three field case studies in the Democratic Republic of Congo, Ethiopia and Pakistan, a review of internal and external documents, and interviews with stakeholders and ECHO staff. Within ECHO, livelihoods programming exists entirely within the food security sector and the food assistance budget line, meaning all livelihoods activities must be linked to food. While ECHO and partners regularly monitor activities and outputs, much less is known about impacts. This is due in part to the limited time to achieve impact (e.g., 12 months) and the limited technical capacity of staff to conduct impact evaluations.

**Key findings**: ECHO has a high level of understanding of the concepts behind a livelihoods framework. Many core methodologies and standards related to livelihoods have made their way into ECHO programming. Several partners noted that ECHO was highly supportive of needs assessments in general, and effectively encourages its partners to develop a greater understanding of livelihood strategies. ECHO varied in its support for more in-depth analysis of livelihoods beyond basic or one-off needs assessments. ECHO’s partners generally demonstrated a strong understanding of the differing needs of women and men, as well as different social groups. Response analysis remains a notable area of weakness for ECHO’s partners; in some contexts the programme response option is almost pre-determined and not sufficiently connected to the needs assessment. There is an over-representation of food aid, the provision of seeds and tools, certain types of agricultural support and small-scale income generation projects. Much is known by ECHO staff about what is delivered and the timeliness of programme implementation in relation to programme timetables. Much less is known about impact. Linking relief with recovery commitments is a serious challenge, largely due to structural issues. ECHO support for emergency livelihoods activities is well-coordinated with various stakeholders. In most contexts, ECHO has an adequate number of staff and an extensive field presence. ECHO staff were found to generally be highly qualified and committed, and to engage in regular and open dialogue with their implementing partners about conditions on the ground.
Lessons Learned: Addressing Food Insecurity in Protracted Crisis

This brief provides insight into the factors that threaten food security during protracted crises; presents an overview of the challenges of implementing food and livelihood security programs in such situations; and describes the ongoing efforts of NGOs to address protracted food security crises in Ethiopia.

During protracted crises the public institutions and civil society organisations needed to support food and livelihood security often break down or are debilitated, making it especially challenging for NGOs to identify capable partners and entry points for activities. Where they do exist, local community-based organisations and governments are often excluded from collaborative initiatives due to perceived involvement in conflict, limited capacity, or political bias. In crises, it is inherently difficult for NGOs to address deeper structural causes of food insecurity, such as failed institutions or disputes over management of natural resources. Analysis too often focuses on identifying needs that correspond to capacities of NGOs to deliver goods and services, rather than root causes of food insecurity specific to a particular local context. Interventions are often hampered by physical danger. In such situations, data analysis is often limited due a lack of available information and a similar lack of operational guidance on establishing effective social protection or disaster risk reduction strategies. Current consensus is that the existing architecture of humanitarian aid policy and funding is not well-suited for situations of protracted crisis. Many food security programs have failed to adopt an integrated approach to addressing health, sanitation, livelihood promotion and social protection in a manner that contributes to household and community resilience.

In Ethiopia, evidence of the impact of NGO-supported food and livelihood security initiatives is mixed. Previous evaluations of the Productive Safety Net Programme have shown that, when delivered in isolation, food/cash distribution and construction of public works are insufficient for helping households attain a sustainable level of food security. Despite these constraints, there are examples in which NGOs have positively impacted food and livelihood security and have formed close working relationships with government and community organisation. National and international NGOs do not play a substantial role in the formulation of food security or agricultural policy.

Building Resilience in a Complex Environment

Since 2008, CARE International has been implementing a long-term programme to build resilience to drought through cross-border collaboration between communities in Kenya, Ethiopia and Somalia. The Regional Resilience Enhancement Against Drought (RREAD) Programme, now in its fifth year of operation, seeks to strengthen communities’ capacity to withstand, absorb and recover from shocks by gradually improving innovation, diversification, governance and resource management approaches.

Building resilience through enhanced community capacity: supporting engagement in more diversified livelihood activities has helped individuals, households, communities and systems to change the way they operate. Individuals can diversify skills, knowledge, resources and assets to enhance flexibility in the event of anticipated shocks, stresses and challenges.

Supporting good local governance: RREAD has helped to mitigate localised natural resource conflicts, which affect cross-border herd mobility, through addressing constraints to good governance. One
initiative has been to strengthen civil and governmental institutions and their ability to promote dialogue between conflicting ethnic groups.

**Extending and strengthening partnerships for collective action:** supporting community cooperatives can reinforce the capacity for groups to build resilience of members and their immediate families, and members’ social networks. These groups have an inherent motivation and long-term vision to improve collective wellbeing.

**Integrating traditional knowledge with innovation:** it is vital that valuable traditional knowledge is preserved as scientific information, and that new technologies reach the most remote pastoral communities. CARE is testing initiatives that link traditional knowledge with science. In 2012 and 2013, RREAD will be creating groups for the sharing of traditional and scientific weather forecasting methods.

**Understanding context and working across scales:** CARE’s vulnerability and capacity analysis realised the potential that cross-border approaches have in reducing pastoral communities’ vulnerability to drought hazards. Interventions were adjusted with more focus on institutional linkages and the importance of governance structures. The programme design also lengthened the original timeframe of 12 months.

**Effective natural resource management is a conflict sensitive approach to resilience building:** RREAD has harnessed benefits for both neighbouring communities through the creation of single fora for joint action and benefit sharing. These fora have enabled representatives from the Ethiopian community – rich in water resources, and the Kenyan community – rich in pasture, to meet in a central place to develop joint assessments and plans for the sharing of both resources.

**Synthesis of Mixed Method Impact Evaluations of the Contribution of Food Assistance to Durable Solutions in Protracted Refugee Situations**

DARA, (2012). UNHCR and WFP.  
http://www.unhcr.org/510fcecc6.html

This paper synthesises the main findings and common lessons emerging from a series of mixed-method impact evaluations assessing the contribution of food assistance to durable solutions in protracted refugee situations. The evaluations were conducted jointly with UNHCR through 2011–2012 in Bangladesh, Chad, Ethiopia and Rwanda. Overall results show that unacceptably high numbers of refugees remain food insecure, worse for women than men. However, acute malnutrition rates were better among refugees than host populations, suggesting that food assistance had a positive impact. Food assistance had a limited effect on longer-term food security.

Livelihood options for refugees were weak, as they generally have little access to land or formal labour markets, and compete for resources with host communities. Unskilled day labour and selling rations were the main sources of income, and this was more precarious for women than men. Assistance mainly focused on immediate food aid, with little focus on livelihoods. Interventions have not been able to move refugees towards self-reliance, as this requires government support for documentation and access to land, among other issues. Long-term donor funding and obstructive government policies were common factors influencing all four sites, and bridging the emergency-development transition the key difficulty in reaching the self-reliance objectives. UNHCR’s and WFP’s record-keeping and monitoring of services needs improvement, and the commitment to self-reliance has yet to be operationalised.

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3. Programmes in Somalia

Livestock and livelihoods in protracted crisis: The case of southern Somalia
http://www.fao.org/docrep/015/a0778e/a0778e00.pdf

This chapter provides a historical and contextual background to livestock and livelihoods interventions in Somalia since the mid-1980s. The livestock interventions have a strong focus on veterinary programmes. In the immediate post-conflict phase the International Committee of the Red Cross and many other organisations provided animal medicines and vaccinations. The second phase involved training Somali veterinarians and providing business support for them to start veterinary businesses and clinics, funded by the EU, CARE and the Italian NGO Terre Nuova. These had generally poor programme results. A large-scale programme to eliminate the disease rinderpest and other livestock diseases, aiming to increase livestock trade, was implemented by the EU, transferring the model from other African countries, but in Somalia implemented by NGOs rather than government. The programme was not successful because rinderpest was not a priority for local farmers. The animal health, disease transmission and international standards approach was eventually dropped around 2003, because little progress was made.

A new focus away from animal health utilised Community-based Animal Health Workers (CAHW) to provide veterinary care, livestock production and nutrition, improved water access, and livestock and marketing information. This was accompanied and supported by several NGO assessments and analyses, with a strong focus on impact assessment, which showed significant positive decreases on livelihoods impacts when CAHWs treated animals, as opposed to diseases not treated by CAHWs, demonstrating the CAHWs were highly effective and seen as accessible and trustworthy by local farmers.

Lessons drawn from these interventions: There is a distinct lack of community participation and no drawing on local knowledge or institutions. The reasons given are the lack of time and the difficulties involved. There was little contact between Somali NGOs and donors. Information and learning was also another weak area, with poor downward accountability, lack of evidence-based decision-making, lack of monitoring and coordination. The NGO Food Security and Nutrition Analysis Unit provides good quality and regular research on food security and livelihoods, which should be supported. The aid agencies have provided adequate emergency relief, but have not contributed significantly to pastoral livelihoods. Livelihoods-based approaches to food security were rarely applied; instead, agencies used technical approaches of improving livestock quality. The authors state the aid agencies had limited accountability due to the absence of government and resultanty did as they wished, with little coordination or evidence-based decision-making. The authors recommend a more community-focused approach, harmonisation, better use of evidence and an understanding that emergencies are part of the norm in these contexts.
**Targeting in Complex Emergencies: Somalia Country Case Study**
http://www.scribd.com/fullscreen/6053793?access_key=key-pc9s5hcjkdzb4g717h

This report is one of the five in-depth case studies – part of the Targeting in Complex Emergencies project – commissioned by WFP, examining community participation throughout the food aid program cycle. Security considerations, limited staff numbers and other constraints mean that the oversight food distribution must be left to local leaders at the village or Internally Displaced Persons (IDP) camp level.

The study team found that in practice vulnerable households prioritisation was first made by leaders on the basis of village, then satellite village, then clan, sub-clan etc. Every household was given the same amount, in part because leaders face threats of physical violence when attempting to exclude certain households, and also because food aid was seen as a free external resource, with everyone believing they were entitled to a share. In the absence of a head count and a registration system, and with the committee overseeing the distribution, no one knows how many people actually receive assistance. This creates obvious opportunities for diversion of assistance, by militias and other powerful actors before it reaches the community, and redistribution beyond the intended beneficiaries in the community.

In the absence of a functioning government, NGOs are often the only service providers and have to interact directly with clan leaders and local authorities. The complexities of clan structure and frequent changes in authority structures (or control over a particular area), make it difficult to enter into agreements which will hold over time. IDP camp committees often function as gatekeepers – controlling information from both inside and outside the camps, controlling access to people in the camps, and controlling the flow of resources into the camp. Violence during distributions is common, which can include incidents of looting, theft, and on occasion people have been killed. In 2007, WFP reported 15 major security incidents at food distributions, in which 10 militia were killed, 10 civilians were killed, and 350 metric tons of food remain unrecovered from looting. Smaller incidents are widespread.

**Livelihoods, assets and food security in a protracted political crisis: The case of the Jubba Region, southern Somalia.**
http://www.fao.org/docrep/015/a0778e/a0778e00.pdf

This chapter provides a detailed look at the Jubba region of Somalia, giving historical background and context as well as describing the interventions present between 1995-2005. It takes an asset-building approach to livelihoods. Page 119 onwards provides an overview of the lessons learned from these programmes. ICRC and Oxfam GB have successfully used small cash transfers as emergency response or as cash-for-work, as Jubba has well-functioning food markets. Several interventions have focused on early warning systems for assessing the likelihood of a humanitarian crisis. The absence of government institutions means there is no overarching policy framework; the introduction of a framework would primarily benefit the NGOs operating in the region, which may then be negatively considered as too externally-driven. Perhaps the best example of development work is the growth of a system of animal health delivery – it used accurate data to develop the system, trains health workers and so is sustainable.

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7 The assets-based framework evolved out of the livelihoods-based framework. It shows the relationship between assets, poverty and food insecurity thresholds, and recovery before and after hypothetical shocks.
A key recommendation is that programmes are flexible and able to time interventions carefully, as the needs in a protracted crisis can change.

4. Other programmes


This paper provides a comprehensive overview of the situation in Darfur, and lessons learned from a Danish Refugee Council programme (starting on p24), including many useful general lessons about working in conflict areas. The programme has recently shifted from a humanitarian assistance focus to one on stabilisation of livelihoods, focusing on rural and non-camp populations. From 2006, food aid has been limited to school feeding programmes and the hungry season, with the main focus on income generation and agricultural support. The objectives of the programme were to facilitate recovery and move towards self-reliance, through protecting and stabilising livelihoods.

Lessons drawn from this intervention (only the livelihoods components): Food aid is still appropriate, as some areas are acutely food-insecure, and immediate aid takes precedence over long-term livelihoods interventions. Food aid can also release time and income allowing people to focus on livelihoods.

Agricultural support currently consists of the provision of seeds and tools, as well as skills training to improve productivity. The least effective form of agricultural support was the distribution of grain mills and irrigation pumps, as these could not be effectively shared between Arab and village groups. Agricultural inputs are highly dependent on receipt at the right point in the seasonal cycle. It is also important to keep accurate lists of beneficiaries and to check whether seeds are already available through ordinary markets.

Vocational skills training is currently not clearly focused on income generation and does not have a market assessment to see which occupations are viable, but could be a positive livelihoods intervention. Programmes focused on extremely vulnerable individuals would benefit from community-based targeting rather than categorical targeting, as this is likely to be more accurate. DRC has implemented unique ‘community area councils’, which advise on interventions based on the needs of the area rather than particular groups – in conflict zones, this can help promote peaceful co-existence and dialogue, although they need to be carefully managed.

Programming for secure livelihoods amid uncertainty: trends and directions in livelihoods, nutrition and food security in Darfur


This report examines trends and directions in livelihoods, nutrition and food security across Darfur since 2005. It uses DFID’s Sustainable Livelihoods Framework. It uses a ‘remain and return’ approach at the heart of which is achievement of human security, aiming to prevent slipping into destitution and supporting rural and urban livelihoods. Free mobility is key to this approach, as IDPs may wish to retain a
base in urban camps while occasionally returning home. The situation in Darfur is far more fluid than before the conflict, with increasingly urbanised populations and new livelihoods systems emerging. Most of the paper reviews the changes over time, and the final chapter starting p74 provides an analysis of possible humanitarian responses. Two fundamental problems are the lack of assessment of what IDPs want – to remain in their new settlements or return home, and what they need to achieve this – and the artificial divide between urban and rural as separate categories rather than their connectivity. A permanent transition from rural economies to market and urban economies has taken place in Darfur. This implies that aid responses should be training and learning, trade and market access, rather than agrarian, and maintain an emphasis on linking urban to rural livelihoods. Both urban and rural livelihoods should be supported. IDPs may not be able to resume a livelihood that existed before, and associated structural change must accompany any attempts to reinstate rural livelihoods – land reform, land rights, service delivery etc.

*Escaping the hunger cycle: Pathways to resilience in the Sahel*
http://community.eldis.org/?233@@.5a338083!enclosure=.5a338469&ad=1

This report is a detailed analysis of changes in policies and programs in the Sahel since 2005. It assesses to what extent lessons of the 2005 food crisis were applied during the crisis of 2010. The study draws from a review of literature, reports and documents, and interviews with over 70 people. Extensive field visits were carried out in Niger and Chad. The report’s key message is that viewing the situation as a crisis which can gradually return to normality is not useful in the Sahel, where a pervasive, on-going, structural food crisis exists.

**Positive lessons learned:** Since 2005, aid has become more effective at responding to immediate needs, but still lacks bridges to development. Positive steps include in-depth analyses such as household economy analysis, which has provided highly relevant insights, including that food security and livelihood security are all but indistinguishable. Deeper and integrated contextual analyses have provided better understanding of the situation. It is important to disaggregate results by wealth quintile to ensure the poorest are benefiting, and to maintain income generation as well as food production.

Instead of export based agriculture, agro-ecological agriculture is now promoted, which entails the sustainable intensification of small farming systems, using low external inputs, agro-ecological methods and crop diversification. World Vision has successfully implemented this ‘re-greening’ strategy in Niger, with significant positive impacts on livelihoods and food security. Pastoralism was not supported in 2010, due to a lack of available information, refusal to declare an emergency, the greater complexity of intervention in pastoral areas, security constraints for international staff and lower priority given to pastoral zones by donors and governments. Establishing pastoral wells has been shown to be effective livelihoods support by CARE in Niger.

Disaster Risk Reduction (DRR) reduces vulnerability and is increasingly mainstreamed in Sahel development programmes, with success in protecting livelihoods and resilience to crisis. DRR needs long-term engagement, government advocacy and continued external support. Early warning systems are as effective at the village level as national EWS, and have been used successfully to identify mitigating actions and build local capacity.

Social protection is not well established in the Sahel, with governments preferring to invest in productive sectors, although this is starting to change. Niger has recently undertaken a pilot cash transfer
programme. Malnutrition of children was effectively targeted by cash transfers by UNICEF, which were used to increase food security and prevent rations going to other household members.

Impact Assessment of Small-Scale Pump Irrigation in the Somali Region of Ethiopia
PLI Policy Project (2010). USAID / Feinstein international Center / Tufts University
http://sites.tufts.edu/feinstein/files/2012/05/CHF-impact-assessment-Somali-Region.pdf

Gode zone in the Somali National Regional State of Ethiopia is a remote area in the east, characterized by under-development and frequent humanitarian crises. Conflict in and around the zone has created a very difficult operational context. The L-SAP project of CHF International was funded by OFDA for one year, in three woredas in Gode zone, and ended in December 2008. The project aimed to improve the household income and assets of targeted poor households through establishing group-based small scale irrigation schemes along the Wabe Shabelle River for the production of food and cash crops. The project established 18 ‘Asset-building Groups’ (ABGs), each comprising at least 50 households. The ABGs were provided with water pumps, fuel, seeds and tools, and training. Each group was to be allocated 25 ha of land. The project was assessed in mid-2010, 18 months after the project ended.

Key findings: The project produced substantial gains in the volume of agricultural production, income from produce sales, increases in household consumption, and more expenditure on health and education, pointing to an overall benefit to those households which continued to farm. However, existing irrigation systems seemed to have been overlooked during the design of the project. Target beneficiaries were supposed to be destitute women pastoralists, but the participants in Gode were all pre-established crop producers. In the other two woredas, intended beneficiaries were farming as individuals not groups, and had mostly reverted to the well-established local systems. Project pumps had simply been added to pre-existing pumps. Only three ABGs were still functioning as groups (both in Gode) and one of these had been linked to another NGO. It seems possible that in many project locations, local people agreed to form groups mainly to access high-value and freely-distributed project resources such as pumps, spares, fuel, tools and seeds.

Recommendations: Initial analysis of pre-existing systems, related constraints and opportunities, technical, social, environmental, policy and institutional issues. A one-year project timeframe is not sufficient to ensure the success of new irrigation schemes or to assess the results. Consider how best to strengthen and expand pre-existing, privately-run schemes. Support and stimulate the private and governmental sectors for the supply of and access to the other inputs necessary.

From Access to Impact: Microcredit and Rural Livelihoods in Afghanistan

The delivery of microcredit (MC) was prioritised during reconstruction as a means to stabilise livelihoods, improve productive assets and stimulate economic development and job creation. This paper examines the effect that the availability of MC has had on existing informal credit systems and on livelihoods in rural Afghanistan. The evaluation used qualitative methods to examine one village in each of three provinces and three implementing partners.

A key overarching finding of the study is that providing access to credit is not in itself sufficient to ensure the desired positive impacts on client livelihood security or MFI viability. MF must link to other development efforts to provide livelihoods stabilisation, or it may only provide assistance. Pathways from
access to impact are highly varied, influenced by a range of factors, some of which are outside of the MFIs’ control (i.e. security, climate). More context analysis is needed to design programmes which are demand-led and therefore more appropriate. Little to no analysis has been made of existing informal markets, but it is important to understand MC operates within an existing credit system, and interacts with social networks. There is some case for arguing that livelihoods risk reduction must come before income growth interventions such as MC, as MC will have little impact and may increase vulnerability if existing livelihood activities cannot support repayment. The issues this study identified that MFIs can focus on to make their work more client-focused and impact-oriented include:

- recognising the importance of economic and social context to successful use of MC (most activities were not highly profitable, meaning repayment was a struggle);
- investing time and money in understanding informal credit systems to design client responsive MC programmes and products (MC is only one choice amongst a vibrant informal system);
- understanding that credit has meaning, beyond the value of the money itself, through its value in creating and maintaining relationships (informal credit provides social protection); and
- developing success indicators that are less primarily concerned with MFI sustainability and that also assess client viability (how clients perform).

Key web resources

- ODI – Livelihoods theme: [http://www.odi.org.uk/search/site?f%255B0%255D=sm_field_theme%3Anode%3A17380&id=16 &title=livelihoods&f[0]=sm_field_theme%3Anode%3A17381](http://www.odi.org.uk/search/site?f%255B0%255D=sm_field_theme%3Anode%3A17380&id=16 &title=livelihoods&f[0]=sm_field_theme%3Anode%3A17381)
- Food Security and Nutrition Analysis Unit: [http://www.fsnau.org/](http://www.fsnau.org/)

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