

SUSTAINABLE LIVELIHOODS AND EMERGENCIES

The purpose of this document is to:

- give a brief overview of Sustainable Livelihoods (SL) concepts and core principles;
- clarify the relevance of SL approaches for FAO's response to crisis situations.

SUSTAINABLE LIVELIHOODS APPROACHES: PURPOSE AND KEY CONCEPTS

Sustainable Livelihoods approaches provide a framework for addressing poverty and vulnerability in both development and humanitarian contexts. They have emerged from the growing realization of the need to put the poor and all aspects of their lives and means of living at the centre of development and humanitarian work, while maintaining the sustainability of natural resources for present and future generations.

Definitions

*A **livelihood** comprises the capabilities, assets (including both material and social resources) 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.* Source: Chambers and Conway, 1992

***Livelihood strategies** are the range and combination of activities and choices that people make in order to achieve their livelihoods goals. On the basis of their personal goals, their resource base and their understanding of the options available, different categories of households – poor and less poor – develop and pursue different livelihood strategies. These strategies include short term considerations such as ways of earning a living, coping with shocks and managing risk, as well as longer-term aspirations for children's future and old age. Livelihood strategies can be positive, helping households become more resilient and less vulnerable, or negative when they result in the further erosion and decrease of the asset base.*

Livelihood analysis and crisis

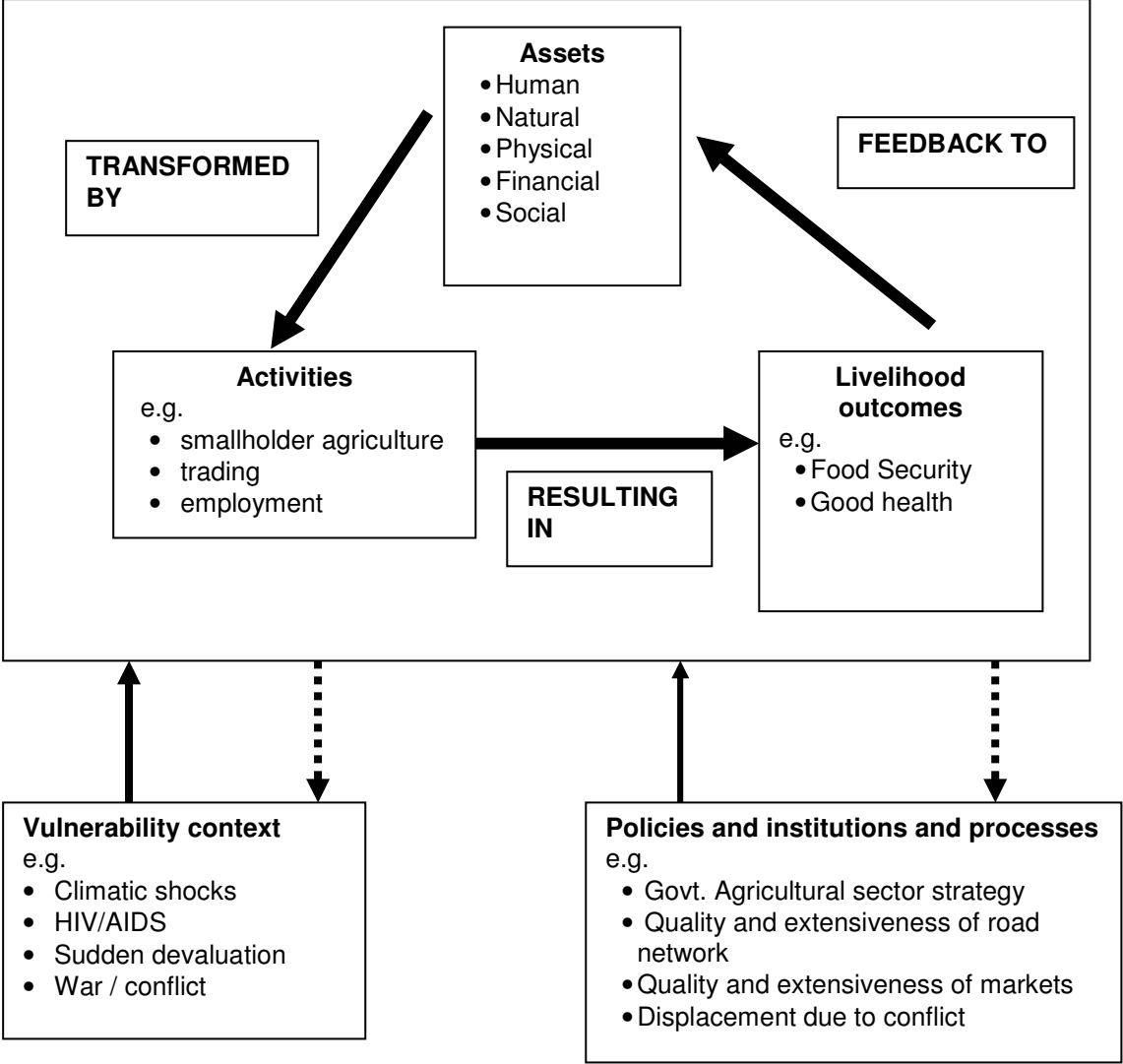
The impact of a crisis on any given population group results from the shock itself and the vulnerability of the affected people. In many situations, needs assessment is "supply driven" i.e. needs are defined in relation to particular agency mandates. Thus the same crisis can be variously described as a "food crisis" an "agricultural crisis" or a 'health crisis' depending on the perspective of the agency conducting or sponsoring the assessment, with needs and responses defined accordingly. Properly undertaken, a livelihoods analysis can circumvent such difficulties by helping to understand better the actual assets of affected people, which eventually shape people's livelihood strategies (thus explaining their behaviour). People's ability to withstand shocks, will ultimately depend on their asset base.

Assets are classified into:

- **human capital**, e.g. education, formal and informal skills, health;
- **natural capital** e.g. natural resources such as farming and grazing land, forests and non timber products, wildlife, and water;
- **physical capital** e.g. shelter, infrastructure such as roads and transport, buildings, irrigation systems, and productive assets such as seed, tools, livestock, fishing gear and other farm and processing equipment;
- **financial capital** e.g. cash income and remittances, credit, savings in kind and cash;
- **social capital** e.g. formal and informal institutions (including markets), associations (e.g. water users and savings and credit associations), extended families, and local mutual support mechanisms.

The relationships between these assets, what people actually do, how this results in outcomes such as food security, and how all of this is subject to external influences such as outbreak of a civil war or drought is illustrated below.

A simplified livelihoods framework



The diagram shows that the livelihood of a person, household or community is comprised of assets, transformed by activities or strategies into outcomes. This “internal” relationship between assets, activities and outcomes is seen to be circular. All of this is taking place in the context of and influenced by the external environment (vulnerability context and policies, institutions and processes). The diagram also shows that the actions of people, households and communities themselves have an influence on these external forces.

HOW CAN SLAs BE USED IN EMERGENCIES?

Using SL in crisis situations

It is useful to distinguish here between SL analysis and SL intervention approaches based on this analysis. Sustainable Livelihoods *assessment and analysis* is especially useful in identifying the poor and vulnerable groups, understanding the constraints and opportunities they are facing, and mapping both the positive and negative impacts of the “coping strategies” that households engage in. They can inform stakeholder consultations for national and international response, and raise awareness and a better understanding of the impact of policy decisions on the livelihoods of these marginalized groups.

SL *approaches* are particularly suited to dealing with crisis situations where people have to adapt to rapidly changing situations. They can help build resilience of vulnerable households and capacity of local institutions in at-risk areas (preparedness) and protect and promote food security and nutrition in relief and recovery. By focussing on affected people throughout the crisis, they can bridge the gap between different phases. They also provide a common inter-sectoral framework which can facilitate inter-institutional collaboration at all levels.

SL should be considered as an overall approach to Emergency work and not as a specific sector to be covered along with others. SL Approaches can be useful in all the steps of the Emergency Response Cycle:

- **Preparedness / Early Warning:** Providing information on how people (and different groups of people) live and cope with crisis in at-risk areas through livelihoods assessments and profiles; identify relevant indicators and establish scenarios
- **Emergency:**
 - ★ Rapid livelihood assessment with a view to provide an intersectoral framework for humanitarian response;
 - ★ Incorporate SL into sectoral assessments and response with a view to improve targeting and design, and ensure the appropriate flexibility in project/programme implementation;
 - ★ Contribute to coordination mechanisms (OCHA, clusters, link with UNDAF) and joint programming (Government, other Agencies and NGOs);
 - ★ Use SL people-centred focus to improve communication on emergency interventions and strengthen appeals; promote livelihood rehabilitation programmes and umbrella projects in coordination with other Agencies to ensure better Donor support;
 - ★ Strengthen and make real the ‘build back better’ and “Do no harm” approaches through the adoption of a livelihoods approach;
 - ★ Use SL framework and indicators for **monitoring** progress, adjusting interventions and evaluating impact.
- **Recovery and rehabilitation and exit strategies:** By focussing on people rather than interventions, SL approaches will lead to a better articulation and integration of development and humanitarian projects and programmes, and will contribute to capacity building of local institutions. Exit strategies should focus on strengthening the resilience of local livelihoods to expected shocks.

Use of SL by FAO in emergency contexts

SL concepts and approaches have been used recently by FAO in Pakistan and in Somalia.

Pakistan. On 8 October 2005, an earthquake measuring 7.6 on the Richter scale, with its epicentre located 19 km northeast of Muzaffarabad struck the northern areas of Pakistan and India. Azad Jammu Kashmir and North West Frontier Province were severely affected, including 3 – 4 million people and an estimated death toll of 80,000. A rapid participatory assessment was conducted by an FAO Livelihoods Adviser in collaboration with ILO and the Department of Agricultural Extension, Government of AJK, during the period 27 to 31 October 2005. Its objective was to provide some qualitative information on how the earthquake has affected people's lives and how they make a living. The survey looked at what resources people had lost, the coping strategies which they adopted to deal with the situation, and the outcomes that they sought to achieve when the immediate effects of the emergency were over. The rapid assessment also set out relevant responses based on the livelihood analysis, and gave a one year timeline for phasing in these responses. Use of a livelihood framework, as in this example, was instrumental in allowing the analysis to be organised in a way that clearly showed the impact of the crisis on people's lives *and* relevant intervention priorities. This would not have been possible with a more sectoral analysis based on pre-conceived ideas of need.

Somalia. The Food Security Analysis Unit – Somalia (FSAU) has been developing a tool with which to classify the severity of impact of different situations on people's lives and livelihoods. The Integrated Phase Classification (IPC) makes use of a number of different information sources to derive a "phase classification" of a particular geographic area. The phases range from phase 1 – generally food secure to phase 5 – famine / humanitarian catastrophe. In arriving at the classification, fairly detailed analysis is done of the state of and prospects for the five capital assets noted above. The following table presents indicates how the results of such analysis is translated into a "phase" indication

Table 15: Integrated Food Security and Humanitarian Phase Classification Reference Characteristics - Livelihood Assets

Reference Characteristic/ Outcome	PHASE	Generally Food Secure	Chronically Food Insecure	Acute Food and Livelihood Crisis	Humanitarian Emergency	Famine/ Humanitarian Catastrophe
		1	2	3	4	5
Livelihood Assets (5 capitals: human, social, financial, natural, physical)		Generally sustained utilization	Stressed unsustainable utilization	Accelerated and critical depletion or loss of access	Near complete and irreversible depletion or loss of access	Effectively complete loss; collapse

Source: Integrated Food Security and Humanitarian Phase Classification: Technical Manual Version I, FSAU, May 11 2006.

Challenges for use of livelihoods approaches in emergencies

The main challenge of using livelihoods analysis to inform programming in emergency situations is that it is extremely challenging to quantify impact on different capital assets. This difficulty is acknowledged by the FSAU. This means that the approach is best used in conjunction with other tools to derive detailed programming responses. One of the strengths of the SLA in emergencies is that it provides a holistic and robust framework within which the use of various analytical tools and responses can be organised.