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SCALE
Strengthening Capacity in Agriculture
Livelihoods and Environment

Lydia Ndimu Mutua and her husband at their small shop. Photo credit: E Millstein / Mercy Corps, July 2019, Kibwezi, Kenya.

SCALE Alternative Livelihoods Survey Results

This document summarizes a review of the **opportunities and challenges facing implementing partners in their efforts to incorporate alternative livelihoods in emergency, early recovery, and development contexts**. The review consisted of a survey and follow-up interviews, conducted by the USAID Office of Food for Peace (FFP)-funded Strengthening Capacity in Agriculture, Livelihoods and Environment (SCALE) Award in July and August 2019. The survey responses and follow-up interviews for alternative livelihoods are critical in forming and influencing SCALE's priorities and engagement for USAID Development Food Security Activities (DFSAs), Emergency Food Security Programs (ESFPs), and other food security initiatives.

Who responded?

- 69 respondents indicated experience in alternative livelihoods; 14 individuals participated in follow-up interviews
- 55% worked for FFP or Office of U.S. Foreign Disaster Assistance (OFDA) initiatives
- A wide range of personnel responded, from Chiefs of Party to field-based livelihoods specialists, country directors and headquarter-based technical teams.
- 28 countries were represented:
  - 40% of respondents were Africa-based: Nigeria (7), DRC (6), Ethiopia (3), Burkina Faso (2), Somalia (2), Benin, Cameroon, Malawi, Mozambique, Niger, Sudan, Uganda, and Zimbabwe
  - 21% of respondents were US-based: Washington DC, Maryland, New York, and Oregon
  - 17% of respondents were Asia-based: Afghanistan (6), Bangladesh (2), India, Nepal, and Timor Leste
  - 14% of respondents were Middle East-based: Yemen (3), Jordan (2), Syria (2), Turkey, and Iraq
  - 5% of respondents were from other regions: Bolivia, Georgia, Panama, UK

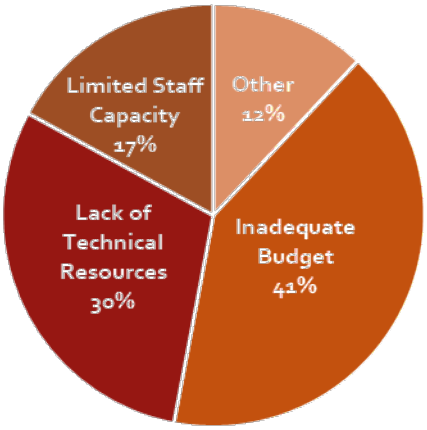
Alternative livelihoods experience

- 69% of the respondents had experience in both off-farm and non-farm livelihoods, 26% in off-farm only, 4% in non-farm only. During interviews, most respondents shared that they understood the distinction between off-farm and non-farm income, but did not document or classify them separately in program activities and measurement.
- In the survey and interviews, several individuals identified alternative livelihoods as a 'new frontier' for the FFP community.

Biggest challenge teams faced in implementing off-farm and non-farm activities

Coping with **an inadequate budget (41%)** was the greatest challenge teams faced when implementing alternative livelihoods programs. During follow-up interviews, individuals indicated that a limited budget prevented:

- programs from hiring appropriate staff with private sector experience;
- thorough and sufficient market analysis;
- comprehensive training (vocational, life skills, etc.) packages for beneficiaries;
- capacity to reach the most vulnerable populations; and,
- ability to support budding entrepreneurs with start-up capital.



The **lack of technical resources (30%)**[1] such as trainings and toolkits, was the second major constraint challenging teams. While some interviewees believed that there is a lack of quality

[1] For respondents working on FFP/OFDA-funded activities, the biggest challenge was nearly a tie between inadequate budget and lack of technical resources with 13 and 14 votes respectively.

alternative livelihoods-related resources, several individuals expressed that the resources exist but are not translated and/or adapted for their specific context. Furthermore, many lacked the time, on-staff expertise, and/or budget for the adaptation and tailoring of materials.

Limited staff capacity (17%) was also highlighted by many respondents, indicating that traditional FFP implementers tend to be agriculture and emergency specialists, who are accustomed to direct delivery and humanitarian aid, rather than market development specialists with experience in facilitation. Particularly for fragile contexts, finding staff who can 'bounce' between on-farm, off-farm and non-farm activities as the environment changes is very difficult. Team members are usually experts in one area, not all three.

One FFP Chief of Party indicated that ***team members often feel overwhelmed with the quantity of various newsletters, webinars, guidance notes, etc. and would benefit from a 'DFSA resource orientation' and/or succinct summaries and overviews of each in a monthly digest form so individuals can prioritize the most useful and relevant resources.***

Other challenges (12%) mentioned included inadequate time for employment-related activities, difficulties in identifying technical consultants, insufficient market analysis, poor collaboration with the private sector, and the remoteness of geographies where non-farm sectors are not robust.

The most useful platforms and methods for sharing technical advancements and best practices

The survey and interviews indicated that **in-person conferences, workshops, and trainings** were most effective and useful, even though many mentioned that budget and travel often prevented staff from attending these events. Furthermore, teams in insecure contexts, such as Yemen and Bangladesh, expressed difficulty in bringing in technical consultants for in-country trainings due to safety concerns. **Field visits** to other programs ranked second, however the same budget, travel, and security challenges also applied. **Toolkits and guidance notes** (ranked third) are only useful if they are translated into key languages; similarly, **webinars** were indicated as helpful only if network connectivity was consistent and strong, and timing was reasonable for in-country staff. Some individuals mentioned that recordings and videos would be helpful if translated to local languages. **E-learning courses, virtual communities of practice, resource libraries, newsletters,** etc., were also deemed useful, but not as effective as the methods above.

Priority areas one & two:

Market-based approaches to alternative livelihoods & sustainability

The top two areas where respondents expressed a need for technical support and focus from SCALE and FFP were: **ensuring market-based approaches to alternative livelihoods (29% of respondents) and sustainability of off-farm and non-farm activities (26%)**. *(This top priority ranking is true for both general respondents and the smaller sub-group of FFP/OFDA community respondents.)*

Market-based approaches: Several participants noted that market-based principles 'aren't new' and the real issue was that many programs claim they are using this approach, but are not adhering to true market systems' elements, such as facilitation, scaling-up and reaching the most vulnerable populations. Some believed poor implementation of the approach is due to donor rigidity around timelines and budget as well as lack of flexibility and support for adaptation. Respondents struggled to identify examples of alternative

livelihoods work that pivots well between emergency and development contexts as 'donor rigidity' often doesn't allow for it. Many participants believed that market-based approaches lead to both sustainability and resilience, but also mentioned that implementing market-based approaches in fragile contexts is very difficult, and at times impossible, due to the unpredictability of the environment.

Sustainability: Many indicated the link between market-based programming and **sustainability of off-farm and non-farm activities (26%).** Sustainability was a particular area of concern in fragile and emergency contexts, such as Yemen and Somalia, where environments are unpredictable and constantly changing. One Syria-based participant highlighted that committing to market-driven interventions in all environments, from emergency to development, would help to increase both outreach to beneficiaries and sustainability. Others requested more guidance on assessing sustainability, using indicators that predict sustainability and developing clear exit strategies. It was also noted that working in a meaningful way with youth would contribute to sustainability for current and future generations.

*One respondent highlighted that **market-based approaches and sustainability are interlinked and failure in one area often affects the other.***

Challenges with market assessments: In the survey and interviews, many highlighted that comprehensive market analysis was the first critical step towards ensuring market-based programming. However, while necessary, the majority of these assessments fell short due to budget, timeline, lack of technical support, inadequate tools, poor adaptation of tools to context, etc. Particularly in uncovering potential growth sectors for off-farm and non-farm engagement, respondents shared that current assessment processes tend to only deliver superficial results. Assessments in emergency settings are particularly challenging and often ineffective.

While there is no dearth of market analysis tools, respondents believed that the development community is still 'not getting it right.' As a result, alternative livelihoods activities are often designed and implemented without full consideration of the market. Additionally, for programs to be truly market-responsive, assessments should be conducted iteratively so that activities are continually adapting to local economic needs rather than a one-off assessment at the start of an initiative. This ongoing analysis needs to be built into the program design.

Where are the jobs? Off-farm and non-farm income are dependent on labor market demand for these goods and services. When market assessments fall short, the full breadth of viable income opportunities, as well as the skills and knowledge required to succeed, are often left uncovered.

*One Chief of Party noted that **their program would like to increase focus on alternative livelihoods, but due to budget and resource constraints, their assessments thus far have not been able to determine the full range of potential work opportunities in off-farm and non-farm sectors.***

Many DFSAs operate in rural areas where labor markets can be stunted and viable sectors are few, and therefore the opportunities in alternative livelihoods are extremely limited. While several participants advocated for an increased focus on job creation in contexts where there are few existing jobs, others noted that this engagement is expensive and far outside the scope of many food security initiatives. Respondents mentioned that lack of opportunities and linkages to local off-farm and non-farm work were significant drivers of migration, especially for youth.

Staffing and budgeting for market-based alternative livelihoods: Activities should think 'outside the box' when hiring for alternative livelihoods components, seeking individuals with market systems and/or private sector experience over those with traditional development profiles. Respondents in fragile contexts noted that they have difficulty hiring international staff, including technical consultants, due to security concerns. Hiring individuals with private sector and financial institution experience can also be costly. Robust alternative livelihoods components typically allow for elements such as start-up capital for entrepreneurs, intensive trainings, increased private sector engagement, etc., which often require significant funds.

Priority area three:
Engaging youth in agriculture and alternative livelihoods

Respondents indicated that the third highest priority for SCALE and FFP is **youth engagement in agriculture and alternative livelihoods (19%)**. Promoting youth engagement in on-farm, off-farm, and non-farm work is essential for improved economic, food security, and nutrition outcomes. However, in many DFSA contexts, there is low youth participation in agriculture as well as limited opportunities for alternative livelihoods. Among respondents, there was a sense of urgency in engaging this large swath of the global population.

- Some respondents feared that young people are too focused on alternative livelihoods over farming, which may cause the agriculture sector in some countries to diminish entirely.
- Many respondents were in favor of supporting youth in mixed livelihoods.
- Several participants connected youth engagement as critical for all sustainability efforts.
- In fragile contexts including Somalia, Yemen, and Ethiopia, there was fear that the lack of viable income opportunities for youth contributes to unrest and instability.

Access to land and capital: While most agreed that youth engagement in agriculture can and should be higher, most also acknowledged that young people are not set-up for success in this sector in much of the developing world. Several survey respondents mentioned difficulty in engaging 'landless youth' in a sustainable way. In many geographies, young people's lack of access to land is a key factor driving youth away from farming and towards alternative livelihoods.

Another significant barrier to youth engagement in on-farm, off-farm, and non-farm work was difficulty in accessing appropriate financial services. A systems approach is required in order to shift financial institutions' perceptions of youth from risky clients to legitimate clients. Inability to access adequate financial services not only impacts aspiring entrepreneurs who are seeking start-up funds, but also working youth who are looking to improve their current businesses and/or safely save for the future.

*One respondent mentioned that **when start-up capital is facilitated by a program, the sum is still usually not sufficient to help a business advance to the next stage.***

The migration conundrum: Reluctance to engage in agriculture coupled with the lack of local income opportunities push youth to seek economic prospects outside of their local communities. Many felt that if young people could view agriculture as a profitable, respectable business and/or could secure meaningful off-farm and non-farm work locally, migration would be greatly decreased in Food for Peace contexts. For implementers hoping to engage young people outside of farming, developing linkages to viable alternative livelihoods is critical. Some implementers wondered if FFP has an official stance on reducing migration or if each context is addressed uniquely.

There was hesitation among some stakeholders to try to reduce all migration of youth, as young people's diverse aspirations cannot always be achieved in one single geography. Furthermore, many youth are genuinely not interested in farming or the limited local income and educational opportunities available to them. Many mentioned the desire to reduce youth migration but also acknowledged the powerful role remittances can play in an economy. In any given context, it is imperative to have a deep understanding of migration and remittance flows.

Matching skills to local opportunities: When alternative livelihoods opportunities do exist in a given context, young people may not have the skills and knowledge required. In addition to technical skills, life skills are also essential for navigating the world of work and are often not honed in the classroom. In places such as Yemen and Ethiopia, educational systems are out of sync with the local labor market demands. Comprehensive training, such as demand-driven vocational training, should be guided by up-to-date, rigorous labor market assessments and can be time consuming and costly. These trainings should be accounted and budgeted for accordingly. Some respondents highlighted that alternative livelihoods components should only focus on sectors that are appropriate and enticing for young people.

Making market linkages: Ensuring a market-based approach means securing market linkages between various stakeholders. This is especially critical for young people who often have low social capital and limited professional networks. Linkages to employers, financial institutions, quality training programs, etc. will help to ensure the long-term success of youth in any given market.

The SCALE Award is a USAID/Food for Peace (FFP)-funded capacity strengthening, applied research and knowledge sharing initiative. Implemented by Mercy Corps in collaboration with Save the Children, SCALE works to strengthen the impact, sustainability and scalability of FFP-funded agriculture, natural resource management, and off-farm livelihood activities in both emergency and development contexts.

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